

U.S. DEPARTMENT OF COMMERCE

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NATIONAL OCEANIC AND ATMOSPHERIC
ADMINISTRATION

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HIGHLY MIGRATORY SPECIES ADVISORY PANEL
MEETING

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WEDNESDAY, APRIL 16, 2008

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The meeting convened at 8:30 a.m.
in the Hilton Hotel, 8727 Colesville Road,
Silver Spring, Maryland.

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1 P-R-O-C-E-E-D-I-N-G-S

2 8:30 a.m.

3 UNIDENTIFIED FEMALE: Good morning.

4 Let's go ahead and get started. We're going
5 to start this morning with an update on the
6 Magnuson-Stevens Reauthorization Act. We
7 have two speakers that will do different
8 presentations. We have Laura Cimo from the
9 Office of International Sales who will give us
10 a presentation on the international position,
11 and Jennifer Ise, who's in our office of
12 sustainable fisheries, domestic fishing
13 division on some of the other ACL and I think
14 some updates on some of the other aspects of
15 the MSRA.

16 And I also wanted to let folks know
17 we're going to have a slight change in the
18 agenda. Instead of having the Greenstick
19 presentation this morning, we're going to
20 switch out and have the project on the
21 research fishery update this morning and have
22 the Greenstick presentation tomorrow morning.

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1 So I just wanted to let folks know about that
2 ahead of time.

3 So with that, I'll turn it over to
4 Laura.

5 MS. CIMO: Thanks, Margo. Good
6 morning, everybody.

7 Well, as everybody knows, about a
8 year ago, actually over a year ago, Congress
9 passes the Magnuson-Stevens Reauthorization
10 Act, and among the provisions of the Act,
11 there are several new international
12 requirements that we have to undertake, and,
13 basically, I wanted today just give you a
14 brief overview again of the provisions that we
15 have the implement, give you a quick update on
16 the status of implementation, then I guess we
17 can answer questions at the end, or however
18 Margo would like to do this.

19 So just to give you a quick run-
20 through of the requirements of the Act,
21 basically, under the Magnuson-Stevens
22 Reauthorization Act the United States is

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1 required to take actions to address
2 international over-fishing. We have to take
3 action to strengthen our international
4 organizations that have fisheries management
5 oversight. We have to take action to combat
6 illegal, unreported, unregulated fishing, and
7 have to reduce bycatch of protected living
8 marine resources, which includes marine
9 mammals and sea turtles.

10 One other key provision of the Act,
11 we have to submit a bi-annual report to
12 Congress and the first report is due on
13 January 12, 2009, and we have to include,
14 among other things in the report, the key is a
15 list of nations whose vessels are engaged in
16 IUU fishing or bycatch of protected marine
17 living resources.

18 So after identification of those
19 nations, the U.S. government is going to
20 notify nations of their identification and
21 make sure that they're aware of the Act's
22 requirements to address IUU fishing and

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1 bycatch. Then the United States is required
2 to initiate consultations with those nations
3 to address those activities outlined in the
4 bi-annual report. We have to then notify all
5 the relevant international organizations of
6 our U.S. actions so we can in to address IU
7 fishing. And we finally have to seek
8 international agreements to reduce bycatch of
9 protected living marine resources.

10 The next step in the process under
11 the Magnuson-Stevens Reauthorization Act is
12 that the Commerce Secretary has to then
13 certify for those nations that have been
14 identified whether they're taking appropriate
15 corrective action to address the IU fishing
16 activities or bycatch of protected living
17 marine resources. And, essentially, the
18 certification process will require us to make
19 either a positive or a negative certification.

20 A positive certification is a
21 reminder, basically, that the nations have
22 taken the appropriate corrective action, and

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1 basically what that means if they've taken
2 appropriate action, then they're fine. They
3 get a green light so to speak.

4 Negative certification on the other
5 hand basically demonstrates that they failed
6 to meet the standards in the Act to address IU
7 fishing and bycatch. And the effects of that
8 are that essentially are authorized to deny
9 the entry of fishing vessels from that nation
10 to our U.S. ports. And with exceptions, we
11 are authorized to prohibit the importations of
12 certain fish or fish products from that
13 country.

14 So that just was a quick update on
15 the activities that we are undertaking under
16 the Act. So I'm just going to give you right
17 now sort of a quick status update.

18 First of all, we are in the process
19 of developing a proposed rule to implement the
20 identification and certification procedure.
21 And I think a lot of you, where I'm looking at
22 I see some familiar faces, I know that you're

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1 familiar with the fact we've already produced
2 an annual -- a report based on the prior
3 support in January of 2008, and so some of
4 this information I know you guys have already
5 been made aware of. But, again, I just want
6 to run through this quickly.

7 We did publish an A&PR in June of
8 2007 and solicited public comments that were
9 used in development of the proposed rule, and
10 we held three public meetings in July of 2007.

11 So, again, now the proposed rule is clearly
12 undergoing internal review.

13 The next most important critical
14 milestone for implementation of the first
15 biannual report to Congress, and what we are
16 doing, again, is we're updating that progress
17 report that most of you have probably seen
18 because, again, we have to include U.S.
19 actions that have been taken to address IU
20 fishing and bycatch at the international
21 level. But the most important thing that
22 we're focusing on in the interim is basically

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1 identifying those nations whose efforts are
2 engaged in IU fishing and bycatch, and what we
3 currently have out for public review is we
4 have information dissemination notice, and I
5 have brought copies. They're in the back of
6 the room.

7 What we're asking for is input from
8 the public and other countries, NGOs,
9 industry, on any activities that we can --
10 information we should use in this
11 identification process. I just want to
12 emphasize that this is really a critical time.

13 A lot of folks have come to us and
14 basically mentioned that they'd like us to
15 evaluate certain activities that certain
16 countries are undertaking, and, at this point,
17 we have yet really to receive a lot of
18 information. So I guess I'm making a plea out
19 to folks that, if you have information, now is
20 the time to send it forward to NOAA fisheries.

21 I am a point of contact on that so
22 you can send it directly to me, and our

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1 deadline is April 21st, so it's right around
2 the corner. So to the extent that folks,
3 again, do have information, if you could
4 please bring that forward, we would greatly
5 appreciate it.

6 And then next step, basically, we
7 are going to be collaborating with our other
8 federal partners as state department and U.S.
9 trade representative colleagues in this
10 process of identification.

11 I didn't mention that it was a key
12 item of the Act is that there's a provision of
13 requirements to undertake international
14 cooperation and assistance. And this is kind
15 of a new set of activities for NOAA fisheries.

16 In the past we've given little bits money for
17 basically bycatch reduction activities, et
18 cetera. But we're hoping to really ramp up
19 these activities in the coming years. And so
20 far in 2007 with some of the monies we've
21 already received, we have basically supported
22 workshops on methods to prevent and mitigate

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1 incidental cases of marine turtles, mammals,
2 sea birds, and other resources. We've
3 provided some funds for workshops for respond
4 to marine mammal strandings, and we're trying
5 to basically take action to strengthen
6 enforcement and prevent IU fishing.

7 So in conclusion, this is a
8 Magnuson-Stevens authorization. It provides a
9 system with real opportunities and challenges
10 to improve global international fisheries,
11 and, basically, we're trying to, again,
12 emphasize that this is we believe a
13 multilateral process is the way to address IU
14 fishing and bycatch. So we are reimplementing
15 the Act. We are kind of trying to emphasize
16 moving forward in a bilateral and a
17 multilateral basis.

18 And interpretation of that is going
19 to require us to have continued commitment to
20 strengthening our international fisheries
21 organizations and building capacity in other
22 countries to address these activities, i.e.

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1 fishing and bycatch.

2 And just as a reminder, I think you
3 guys have seen this before, but, again, this
4 is the website that our office of sustainable
5 fisheries has developed for Magnuson-Stevens
6 Reauthorization implementation, and this is
7 where you can find everything from when we had
8 the proposed rule out for the public comment.

9 We'll be posting it here. We have the
10 information solicitation notices also at this
11 site and any other updates.

12 Thank you.

13 MS. JOHNSON: Thanks. Gail
14 Johnson. The deadline you said is right
15 around the corner, but I presume that this is
16 a yearly kind of thing and this happened
17 pretty fast and a lot of people aren't out.
18 So if there is something to be told to you, I
19 guess it if was after April, it would go for
20 next year. Is that right?

21 MS. CIMO: I think what we'll try
22 to do to the extent possible, if there is

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1 information, like I say, I certainly wouldn't
2 discourage you from sending it even after the
3 April 21st time line. The one concern we have
4 is that we're going to have to basically take
5 information that we get and seek to
6 corroborate and verify information. So we
7 need to have enough time to do that in order
8 to include that information in the biannual
9 report to Congress. So certainly I wouldn't -
10 - even though April 21st is our deadline so to
11 speak, I certainly also wouldn't discourage
12 you from sending information because if we --
13 to the extent that we can verify and
14 corroborate information, we can include it in
15 this round of identifications. But, if not,
16 you're correct, we'll basically have to use
17 them in the second process, which would be in
18 the biannual report to Congress that's due in
19 January 2011.

20 UNIDENTIFIED MALE #1: Thank you.
21 Good morning, Laura. And further to Gail's
22 comment, is it out of the question to ask for

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1 an extension to the public comment period?

2 MS. CIMO: No, actually it's not,
3 and we have basically been considering whether
4 or not an extension would be warranted, and,
5 frankly, I appreciate the comment and question
6 because we've been asking people whether it
7 would be appropriate and have yet to really
8 hear that that would be a worthwhile endeavor.

9 So if folks think that's important, then I'll
10 take that back to our folks at NOAA fisheries.

11 UNIDENTIFIED MALE #1: I think it
12 would. And if I could follow up on a couple
13 of points that were made at the ICAD advisory
14 committee, which was only on March 27th when we
15 had this same discussion. There was a lot of
16 support for trying to see what the possibility
17 would be of getting a preliminary report,
18 preliminary white paper, or whatever you want
19 to call it, in time for the ICAD meeting
20 identifying what you've identified to date in
21 terms of IUU so that we could use that whether
22 formally in plenary sessions or whether the

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1 commissioners could use it in smaller group
2 negotiation, it would be very helpful for us
3 to have that. So I'll just repeat that if
4 there's any piece of document you can get,
5 even if it has to stay in the hands of the
6 commissioners only, that that could be a very
7 useful tool for what's going to be a very
8 difficult meeting for us.

9 The other points I wanted to make
10 was it's really hard, you know, when you --
11 for you -- well, the government is basically
12 coming to us and asking us for information on
13 IUU fishing, when probably the most valuable
14 and relevant sources of information that could
15 identify that are import trade statistics that
16 are being maintained by the government that
17 some of us don't really -- we certainly don't
18 have the expertise in handling the databases
19 that, for example, a Chris Rogers would have
20 within international. But we kind of have to
21 rely a bit on you as well as, for example, the
22 NOAA enforcement report we got yesterday that

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1 identified the activity that was taking place
2 in Trinidad, which clearly is moving in the
3 direction of finding some IUU.

4 The other major source that we'd be
5 commenting on is if you look at the petition,
6 obviously, from the Center for Biological
7 Diversity, if I said that right, where they're
8 asking under the Marine Mammal Protection Act
9 to ban imports from IUU fishing countries,
10 they seem to have gotten some excellent
11 intelligence on what's happening in the
12 Singapore, Taiwan, Singapore, Philippines
13 connection in the IUU fishing that's
14 continuing there, including mislabeling of
15 big-eye caught from the Atlantic that was
16 truly caught from the Indian Ocean, et cetera,
17 et cetera. So in that document there's a good
18 five or six pages of what appears to be solid
19 information that could be pursued to find it.

20 And the other suggestion that
21 several of my members have made to me is can't
22 we avail ourselves of NOAA satellite, you

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1 know, imagery to try to track some of the
2 names of some of these vessels that are
3 actively involved, particularly in Trinidad.
4 I mean we all know they can read license
5 plates numbers off the back of cars now with
6 satellites, so surely the vessel names or
7 photos of the vessels so that they can be then
8 identified by land would be helpful in moving
9 forward.

10 Other than that, we really find
11 ourselves in a position where there's a few
12 dealers that can be helpful and we put the
13 request out to them to try to get the
14 information. But, basically, the people that
15 handle the imports first, FDA, and then
16 whatever data retrieval and systematic
17 collection systems between the various
18 agencies that handle that, that's really where
19 you're going to get, you know, information on
20 the countries that are actually participating
21 in it.

22 MS. CIMO: Thanks so much, Rich. I

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1 really appreciate it. And I think, like I
2 said, you've brought up a lot of good points
3 and, frankly, we've been trying to talk to
4 enforcement so they are our partners in this
5 effort, so we have been under discussion and
6 sort of options and opportunities, so that,
7 basically, we've been talking about the same
8 things that you've brought up.

9 And thanks for mentioning,
10 obviously, the swordfish petition. We've also
11 taken that under consideration as well. So
12 all your points are well taken and
13 appreciated.

14 (Off mic speaking.)

15 MS. ISE: Hi. My name is Jennifer
16 Ise and I'm here to provide an update on our
17 efforts to develop guidance on the annual
18 catch limit provisions that were included in
19 the MSRA and how we plan to include that
20 guidance in the national standard one
21 guideline. So I'll quickly run through some
22 of the MSA requirements related to overfishing

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1 and the annual catch limit guideline.

2 Quick recap of national standard
3 one requires that conservation and management
4 measures prevent overfishing while achieving
5 optimum yield in each fishery. And in 2007
6 the MSRA added a requirement the MSPs
7 establish a mechanism for specifying annual
8 catch limits in the plan regulations or annual
9 specifications at a level such that
10 overfishing does not occur in the fishery and
11 including measures to ensure accountability.

12 The annual catch limits may not
13 exceed a council's scientific and statistical
14 committee's fishing level recommendation and
15 for secretarial FMPs this could apply to
16 recommendations of agency scientists or peer
17 review process. The annual catch limits are
18 required for all managed fisheries with two
19 statutory exemptions, one regarding species
20 with annual life cycles unless they are
21 subject to overfishing, and stocks that are
22 managed under an international agreement to

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1 which the U.S. is a party. The annual catch
2 limits are required in fishing year 2010 per
3 stocks that are subject to overfishing and in
4 2011 for all other stocks.

5 The MSRA revised MSA section 304E,
6 which is the rebuilding section, effective
7 July 2009. Within two years of an overfish or
8 approaching overfish status notification,
9 management measures must be prepared and
10 implemented to immediately end overfishing,
11 rebuild affected stocks, and prevent
12 overfishing.

13 The MSRA added a new section called
14 international overfishing that will apply in
15 lieu of section 304E if the secretary
16 determines that a stock is overfished or
17 approaching overfished due to excessive
18 international fishing pressure and for which
19 there are no management measures to end
20 overfishing under an international agreement
21 to which the U.S. is a party. And so the
22 secretary, with the Secretary of State, should

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1 immediately take action to end overfishing at
2 the international level and within one year
3 the secretary or appropriate counsel should
4 recommend domestic regulations to address the
5 relative impact of U.S. vessels on the stock
6 and recommend to the Secretary of State and
7 Congress international actions to end
8 overfishing and rebuild taking into account
9 the relative impact of other nation vessels
10 and vessels of the U.S.

11 So we're updating the national
12 standard guidelines to address these new
13 provisions, and, specifically, we want to add
14 guidance on the annual catch limits and the
15 accountability measures and acceptable
16 biological catch which is a new requirement
17 added by MSRA in section 302 of the MSA, which
18 requires that council's scientific and
19 statistical committees provide an ABC
20 recommendation as part of their scientific
21 advice.

22 So we want to explain these new

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1 requirements and their relationship to
2 existing requirements for maximum sustainable
3 yield and optimal yield and the status
4 determination criteria for overfishing and
5 overfished.

6 So last winter we solicited public
7 comments about developing the guidance on
8 annual catch limits, and some themes that
9 emerged from the comments include improving
10 fishery status; developing more guidance on
11 optimum yield and how to incorporate ecosystem
12 considerations; the role of scientific advice,
13 specifically with the SSC; allowing managers
14 accessibility and how they develop the annual
15 catch limits and accountability measures; the
16 preference for in-season adjustments to
17 corrective ones with regard to accountability
18 measures; the ACLs that address rebuilding,
19 not just overfishing; and to protect sectors
20 from each other; and show ongoing review of
21 management effectiveness and address how ACLs
22 might work for stocks that are shared in state

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1 waters.

2 So in working to develop the
3 guidance, we have several objectives. One is
4 to ensure that the guidelines provide national
5 consistency, but also allow for the
6 flexibility to account for diversity in U.S.
7 fisheries, such as biological and ecological,
8 the different management approaches, the
9 different levels of scientific knowledge about
10 each of the stocks, the different catch
11 monitoring capabilities, the overlap in
12 management jurisdiction systems, stocks, and
13 the different the users that are harvesting
14 the stocks. So our goal is to create strong,
15 yet flexible guidelines to account for this
16 diversity.

17 So the MSA does not define annual
18 catch limits, so that's one of our objectives
19 is to create a definition. Some things we've
20 considered including all sources of fishing
21 mortality where that's possible; having them
22 be optional to set for multiple year periods;

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1 maybe be a numerical annual value that's set
2 in weight or numbers of fish. It could be
3 optional to subdivide an ACL and to sector
4 ACLs, and I'll touch on that in a moment.

5 And some have proposed that the
6 annual catch limit should be a limit, while
7 others think that it should be both a target
8 and a limit, so we've been looking at that as
9 well.

10 So during the public comment period
11 we heard that some people really wanted
12 flexibility to create sector ACLs and
13 accountability measures to address of fairness
14 among the sectors in a fisher. So we've been
15 considering how a stock ACL might be
16 subdivided that way. This could be optional
17 and not required, and, if so, the option of
18 having accountability measures for each
19 sector, that these could be defined by the
20 councils or the secretary, and basically just
21 to address the issue of fairness among sectors
22 in a fishery, for example, to avoid punishing

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1 all the sectors in a fishery if only one
2 sector was responsible for causing an overage
3 of an annual catch limit.

4 So given that fishery science and
5 management is imperfect, we wanted to have the
6 guidelines address this uncertainty. So one
7 way that we've considered that scientific
8 uncertainty could be addressed in establishing
9 annual catch limits could be to make an
10 estimate of an overfishing limit that uses the
11 best available science, then reduce from that
12 to account for the scientific uncertainty and
13 that would be the acceptable biological catch,
14 and the ABC could be the upper bound of the
15 annual catch limit.

16 And to address management
17 uncertainty or the degree to which management
18 can control the actual catch to the target
19 catch in a fishery, one way that could be
20 addressed is to treat the NL caps on it as a
21 limit and then establish a management target
22 below that based on the level of management

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1 control.

2 An example of how that might be
3 done is to look at past performance of a
4 fishery in having an annual -- the actual
5 catch achieve the target catch. So with a
6 simple example who have three different
7 fisheries with three different management
8 approaches, and the first fishery, the actual
9 catch always comes pretty close to achieving
10 the target, so its management controls much
11 more precise and, in such a case like an IFQ
12 fishery perhaps, the target could be that much
13 closer to the limit. Whereas, in the opposite
14 side of the spectrum, a fishery that has a lot
15 of variation in the actual catch achieving the
16 target, you might need to set the target
17 further below the limit to account for that
18 uncertainty.

19 The MSA does not define
20 accountability measures even, so that's
21 another objective we have for the guidelines.

22 But according to language in 303(A)(15), it's

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1 pretty clear that the accountability measures
2 are associated with the annual catch limit.
3 And two types of accountability measures have
4 been suggested, one being in-seasons measures
5 that try to prevent the catch from exceeding
6 the limits and another to address overages of
7 the annual catch limit after the fact. And
8 these kind of ends could be established to
9 address not only the operational factors
10 leading to the overage, but also any
11 biological issues that have resulted.

12 So in developing the guidelines
13 while faced with several issues resulting,
14 again, from the diversity existing in U.S.
15 fisheries, one issue is how to apply annual
16 catch limits to all stocks. I mentioned that
17 there are two statutory exemptions, one for
18 the annual life cycle species and the other
19 for international stocks. And, in addition,
20 there's some situations that we've discovered
21 annual catch limits may not be operationally
22 feasible or some have suggested even

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1 necessary. Such situations include stocks
2 that are very data poor; some stocks in which
3 most catch occurs in state waters; stocks that
4 are minimally impacted by a fishery, for
5 instance, some FMPs include data collection
6 only stocks; stocks that are managed under
7 endangered species acts recovery plans; and
8 aquaculture stocks.

9 Another issue is that there's a lot
10 of variation in the number of stocks that FMPs
11 include. Some FMPs only include stocks that
12 are the direct object of a fishery, while
13 other FMPs include all species in the
14 ecosystem. And so we've been looking at MSA
15 section 303(A)(2), which requires that FMPs
16 contain a description of the fishery,
17 including the species of fish involved and
18 trying to explore what does it really mean to
19 be involved in the fishery and what would be
20 an appropriate minimum expectation that some
21 stocks would be included in an FMP.

22 And, obviously, the more stocks

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1 that are included, the more likely you are
2 going to get some data poor stocks in the FMP,
3 which is a challenge for creating ACLs. But,
4 on the other hand, including more stocks also
5 means the FMP's probably taking a more
6 ecosystem approach.

7 So the bottom line is that we
8 anticipate the [inaudible] will publish this
9 summer. But even without the NS one revised
10 guidelines in place, the statutory
11 requirements must still be met. So the annual
12 catch limits and measures to include
13 accountability would need to be in place by
14 2010 for stocks experiencing overfishing and
15 2011 for all others. And the performance
16 measure in the Act is such that overfishing
17 does not occur. So there's not really a lot
18 of wiggle room there.

19 There are some general principles
20 to keep in mind at this point. Thresholds,
21 limits, and targets should be based upon the
22 best scientific information available.

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1 Managers should establish a risk policy for
2 scientists to use in recommending threshold
3 limits and targets, and this might be in the
4 form of controls. Incorporating scientific
5 uncertainty in the specification of catch
6 thresholds and limits. Setting catch targets
7 below limits to incorporate management
8 uncertainty. Where possible, prevent
9 exceeding annual catch limits in season, and
10 if they are exceeded, to take corrective
11 action immediately or as soon as possible to
12 correct the problem that caused the overage
13 and mitigate any biological harm. And all of
14 this requires that the management feedback
15 loop is sped up as much as possible to
16 increase the response time.

17 So a couple of other MSRA updates.

18 As far as the NEPA MSA streamlining, we
19 anticipate that the proposed rule will publish
20 this summer. And with regards to the limited
21 access privileged program provisions, we
22 anticipate that the proposed rule will

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1 probably publish this fall. There was a
2 technical memo published in November which
3 focused on the design and use of LAP programs,
4 but the purpose of the guidance that would be
5 coming out this Fall would be to ensure that
6 the standards and requirements in the
7 Magnuson-Stevens Act will be applied
8 consistently nationwide. And examples of
9 issues that might be included in this guidance
10 would be limits on holding privileges,
11 eligibility to participate in LAP programs,
12 excessive shares, regional fishery association
13 plan acceptability, and cost recovery.

14 So with that I'll open it up to
15 some questions.

16 MR. AUGUSTINE: Thank you. Pat
17 Augustine, Mid Atlantic.

18 Jennifer, good presentation. Would
19 you make a note to send a copy of this program
20 to all of the councils?

21 MS. ISE: Sure.

22 MR. AUGUSTINE: Mid Atlantic has

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1 already formed an ad hoc committee to address
2 this for our SSC with an assigned set, and
3 we're finding that the data that we've seen so
4 far, this is probably the best package I've
5 ever seen on where we're going,
6 interpretation, and so on. So that's the
7 first thing.

8 And, again, the second question, or
9 the question would be, when will we see any
10 clarification as to what the SSC is actually
11 supposed to be doing from your office, or do
12 we have it, this is it?

13 MS. ISE: Well, that would be in
14 the guidelines. So whenever we get that
15 published, which will hopefully be this
16 summer, there will be some guidance on the
17 role of the SSC.

18 MR. AUGUSTINE: Terrific. Thank
19 you.

20 (Off mic speaking.)

21 UNIDENTIFIED MALE #2: Well, we've
22 already adopted that in our SOP. But the

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1 information that she has here, as to
2 establishing ACLs and AFs, I think it's clear
3 here than any document we've seen, and to be
4 able to send this off to all council members
5 via the executive director or chairman of each
6 of those council would be beneficial to the
7 council members.

8 MS. ISE: Just one clarification.
9 This was mostly our -- most of all these
10 slides were presented at the last CCC meeting
11 I think.

12 UNIDENTIFIED MALE #2: [Inaudible.]

13 MS. ISE: Well, we'll send it
14 again.

15 UNIDENTIFIED MALE #3: This
16 reauthorization saw a lot of new terminology
17 that limits thresholds and targets, and,
18 again, I think your presentation's probably
19 the best that I've seen in kind of describing
20 those. What I'm still a little confused about
21 is which of these terms now correspond to
22 optimum yields?

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1 MS. ISE: We're probably thinking
2 that the target would probably be most closely
3 associated with optimum yield I think because
4 the annual catch from its upper bound would be
5 based on the fishing level recommendation of
6 the SSC, and if that were -- as we had it here
7 as one suggestion, it could be the ABC. So I
8 think that the annual catch limit, depending
9 on where it sat, or the target could be
10 closely associated with the optimum yield.

11 UNIDENTIFIED MALE #3: Thank you.

12 MR. McKEON: Sean McKeon. I wasn't
13 thinking about that, but I want to follow up
14 with what the gentleman just said. With
15 respect to optimum yield and then settings, it
16 almost seems like there's an indication
17 they're trying to set some sort of a buffer
18 below that, and I wonder if that's problematic
19 with national standard one. If you have to
20 achieve optimum yields, how then do you have
21 the buffer that you're going to stop that?
22 I'm just wondering if there's any problems

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1 with that national standard.

2 MS. ISE: Well, no, because optimum
3 yield, you're supposed to prevent overfishing
4 anyway. So I mean I don't -- the buffer is
5 one. That would be up to the scientists and
6 the councils or the secretary or HMS. So I
7 don't see that it would be in conflict at all
8 with optimum yield.

9 MR. McKEON: Okay. I have a couple
10 other questions with respect to ACLs and the
11 exceptions for data poor. How does it square
12 with best available?

13 MS. ISE: There is not an exception
14 for data poor.

15 MR. McKEON: All right. Let me go
16 to what you had written here.

17 MS. ISE: I think what we're trying
18 to do in that slide where it talks about the
19 data poor stock?

20 MR. McKEON: Yes.

21 MS. ISE: It just an issue that
22 we've been wrestling with and that we've

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1 gotten a lot of public comment on and
2 different viewpoints. So that's all this
3 means. We're not proposing in this
4 presentation that there would be an exemption
5 for data poor stocks.

6 MR. McKEON: That kind of caught my
7 eye because I think most of us would agree a
8 lot of them are data poor that we have to do.

9 I think there's a lot of interest
10 in my industry with taking a very long, hard
11 look at separating the sectors in a lot of
12 these fisheries. I think it would achieve a
13 lot of your goals with respect to
14 accountability, and we've been having
15 discussions kind of internally and around with
16 some of my colleagues and we certainly think
17 that that's something that should be taken a
18 good hard look at.

19 The LAP thing, I was on that South
20 Atlantic advisory panel, whatever they call
21 it, down there in LAPs, and the last meeting
22 we had where they summed up the interest was

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1 pretty much their -- at this time is almost
2 zero interest by the industry until a whole
3 bunch of problems are worked out with those
4 programs. They've not been able to show
5 anybody really how they're going to work
6 effectively, where they've worked effectively.

7 The range in the South Atlantic, the states
8 are so different. I think it was the chairman
9 of the South Atlantic said that he heard in
10 public comment and what they received almost
11 zero support for that, and I think that's
12 important to consider.

13 But I do think there's a lot of
14 interest, and I just repeat it for emphasis,
15 on separating the sectors. I think like
16 summer flounder and I think that's kind of a
17 poster child for one sector driving the engine
18 and another sector that is held accountable
19 having to suffer some of those consequences.
20 So there is some strong interest in that.

21 MS. ISE: Thanks.

22 (Off mic speaking.)

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1 MS. ISE: Well, the LAP guidelines,
2 again, the LAP provisions are optional. So if
3 the council doesn't want to implement any
4 LAPs, that's totally fine.

5 Yes. Well, thank you.

6 MS. MILLER: This is Shana Miller.
7 For the international exemption, I'm thinking
8 about in the Pacific where you have highly
9 migratory species managed by the council
10 versus an HMS division like in the Atlantic,
11 and for some of those species that aren't over
12 fished, but U.S. scientists do not assess the
13 stocks, they're assessed by international
14 bodies, but domestically we don't have catch
15 limits and internationally with any specific
16 no catch limits. So how would that fall under
17 this 2011 guidelines or deadline, or are those
18 stocks of highly migratory specific stocks
19 they would just be exempt and not included?

20 MS. ISE: We're still working on
21 the international exemption language trying to
22 look through it and see if the -- see how it

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1 would apply. So I can't really comment on if
2 they will apply. But there is a statutory
3 exemption for stocks that are managed under an
4 international agreement. So I guess that's
5 about all I can say right now. Unless Alan
6 wants to say anything else.

7 MR. FISHER: Myron Fisher. On the
8 new guidance requirements, if the SSC gives
9 you an ABC range rather than a point estimate,
10 if it falls in a range, where does the ACL
11 fall? Does it have to be below the midpoint,
12 or can it be at the edge of the envelope at
13 the edge of the range? And, secondly, is the
14 ACL more or less replacing the tack in this
15 case?

16 MS. ISE: For all of this, like I
17 said, these are just things that we've
18 considered and so I can't give you any sort of
19 definitive answer. I think as far as a range,
20 that would be something that the council would
21 need to talk about with their SSC. If they
22 didn't want a range, then, you know, they

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1 would have to establish some sort of protocol
2 with the SSC about how the recommendation --
3 what form the recommendation would come in.
4 So I can't really speak to that right now.

5 And then I'm sorry I forgot the
6 second question.

7 MR. FISHER: Is the ACL more or
8 less becoming a tack or at least a quota for
9 that sector?

10 MS. ISE: Again, these are just
11 things that we're thinking about, and there
12 will most likely be a lot of flexibility for
13 the councils to decide how to treat the ACLs.

14 So I can't really answer yes or no.

15 MR. FISHER: And maybe it wasn't a
16 question. Maybe it was something to go back
17 and think about.

18 MS. ISE: Okay.

19 MR. FISHER: And I've got one last
20 issue. It's very minor, but it's on the slide
21 that's up there. You're not proposing a catch
22 limit on aquaculture ventures. I think he'd

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1 want to harvest every fish he has in the cage.

2 I don't think you want to tell him what his
3 ACL would be on aquaculture stocks. I didn't
4 know if you meant the wild stock or the raised
5 stock in the cage.

6 MS. ISE: Well, it's just exactly
7 like you described. Those are just the issues
8 that we're considering, like how would the
9 guidelines address that kind of an issue.

10 MR. STONE: Dick Stone at MMA. I
11 want to compliment you on putting together a
12 good, helpful document.

13 MS. ISE: Thank you.

14 MR. STONE: I'm just a little
15 concerned that there's not enough emphasis on
16 the improved fisheries data aspect. There are
17 a number of things that are going on that I
18 think could be helped by putting a little more
19 emphasis on that, ACCSP, MRIP, in other words,
20 other efforts that are ongoing I think need to
21 be encouraged and strengthened because to
22 provide the SSCs and HMS and other with the

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1 data that they need to do some of this I think
2 is extremely important and something that
3 can't be over emphasized. Thank you.

4 MS. ISE: Well, first, the
5 recreational data improvement, we're
6 definitely talking with the folks that are
7 doing that. They know that this is going to
8 be very critical for annual catch limits. So
9 we're talking.

10 MR. GERENCER: Bill Gerencer.
11 First of all, that was a great presentation.
12 It was very clear. Second thing is that data
13 poor is an issue, but I think even bigger is
14 data slow. We always seem to be managing in
15 the blind or with obsolete data and I don't
16 think that's a very effective way to manage.
17 It just keeps being sort of like standard
18 operating procedure and that really needs to
19 be addressed.

20 And then the third thing is optimum
21 yields. Most plans that I've been associated
22 with seem bereft of any or unable to address

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1 achieving optimum yields, and our newest
2 terminology, annual catch limits, has quickly
3 gotten the name in New England of always catch
4 less. You know we're managing a fishery here
5 and so at some point, you know, we need fish
6 stock to come back. Swordfish is a great case
7 in point where we seem unable to even really
8 make any strides at achieving optimum yield
9 there to the point where we're going to lose
10 swordfish.

11 So I think without that those
12 things, as good fisheries managers, we not
13 only have to manage the fish, we have to
14 manage the fisheries. Thank you.

15 MS. ISE: Well, as far as the data
16 slow issue, we have definitely been thinking
17 about that as well, and I think that was in
18 one of the slides here about the monitoring
19 capability for fishery. That's one thing we
20 know has been an issue in some fisheries is
21 having the data coming out once the season is
22 over. So obviously the preference is to have

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1 in-season data where possible and the science
2 side of the house is looking at how to improve
3 fishery data systems in order to support
4 annual catch limits and improve in-season
5 measures. So we're definitely looking at that
6 and having been thinking about that.

7 I guess that's all I'll say.

8 MS. MERRITT: Thank you. Rita
9 Merritt, South Atlantic Fishery Council. A
10 couple of things I want to comment on, and
11 thank you, Jennifer, particularly for bringing
12 up the fact that past performance is important
13 in this scenario of developing annual catch
14 limits.

15 The South Atlantic Council has been
16 wrestling with a couple of things, and Sean
17 brought up the one on limited access program,
18 and the biggest challenges there were you try
19 to get by in of fishermen to have a program
20 when there are so many uncertainties as you've
21 mentioned, and, particularly, how do you
22 define fair and equitable. Everybody has a

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1 different opinion of what that is and all of
2 that ties into the accountability measures
3 trying to figure out just how do we get this
4 accountability.

5 And I do think that this new
6 development of the MRIP, and I can't remember
7 the entire definition of what MRIP is, but
8 it's the, what, Marine Recreational --

9 UNIDENTIFIED MALE #4: Marine
10 Recreational Information Program.

11 MS. MERRITT: Okay, thank you.
12 Anyway, the MRIP program. If I'm not
13 mistaken, they're supposed to have that
14 developed the beginning of '09, but we're
15 really not going to see anything coming out of
16 that for several years is the way I see it and
17 I just don't know how that's going to help us
18 now to accomplish all of these lofty goals
19 that are coming out of MSA.

20 I guess the other thing is to get
21 some definition out there first so that we
22 know what it is we're trying to accomplish

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1 here and I appreciate it. Thank you.

2 MS. ISE: Thank you. Well, we
3 totally understand the issue of having the
4 improved data. You know, that's not going to
5 happen by 2010. I mean like everything I
6 guess it will be an integrative process and
7 hopefully progress as the years go on, but we
8 have to do what we can in the meantime with
9 what we have.

10 MR. HEMILRIGHT: [Inaudible.]
11 Dewey Hemilright. These annual catch
12 landings, is this just for the commercial or
13 is it recreational also?

14 MS. ISE: It's for both. It's for a
15 fishery, for stock, yes.

16 MR. WHITAKER: Rom Whitaker,
17 Hatteras Charter Boat. Just to touch on what
18 Bill said, and you explained a little bit, but
19 where we go to monitor the capacity, it seems
20 like that's always been a problem with us and
21 we've been talking about MRVs for year. But I
22 would like to see more detail on how they're

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1 going to the monitoring capacity.

2 MS. ISE: Do you mean for the
3 recreational only?

4 MR. WHITAKER: Yes, recreational.

5 MS. ISE: Well, I don't know if you
6 have anybody coming to talk about that. Do
7 you? So maybe Margo could get somebody to
8 come in and talk to you more about that, how
9 they're going to improve that. I can't speak
10 to it.

11 MR. CODDINGTON: Ron Coddington.
12 Speeding up the process is one of the most
13 important things you can do. One of the
14 things we're talking about is the Marine
15 Recreational Information Program. We've been
16 ready for that study in Florida since the
17 first of the year. The e-mail I just got says
18 there maybe funds May 1st. The funds were
19 allocated last year. I think they were in the
20 previous fiscal year budget and they're just
21 now maybe ready to trickle down to the State
22 of Florida for the pilot program there. Six

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1 months seems like a long time to move funds.
2 I realize we're talking about the federal
3 government, but anything we do to speed up
4 those programs is going to help us especially
5 with the time tables you're working against.

6 MS. ISE: Right. Well, as far as
7 budget issues, I will let Alan address that.

8 MR. RISENHOOVER: [Inaudible.]

9 MR. CODDINGTON: Just one final
10 comment. I would normally save this for an
11 outreach part of the agency, but I didn't see
12 one on here. It'd be really helpful if we
13 could have these presentations in electronic
14 copies on some part of the HMS website. I
15 don't know if that's possible or not. But
16 these hard copies are great, but the fact that
17 we could go and access them when we want would
18 be really a nice feature.

19 MS. ISE: Or maybe we could put
20 them on the MSA implementation update website,
21 too. Alan wants to say something.

22 MR. RISENHOOVER: [Inaudible.]

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1 MS. ISE: Yes, that's up there.

2 MR. RISENHOOVER: [Inaudible.]

3 MR. CODDINGTON: Okay, great.

4 Thanks a lot. Again, thank you very much.

5 MS. ISE: Just to follow up, Brad
6 has said that Ron intends to be here tomorrow,
7 so tomorrow morning. So I think we could ask
8 him for an update on some of the MRIP
9 activities at the same time. So we'll try and
10 make that happen.

11 MR. McHALE: Good morning. We just
12 wanted to give you a quick update on the
13 Pelagic Longline Research that we've been
14 doing, as well as just an update on the
15 fishery in general. So we have a few slides
16 here that we'd like to present to you.

17 As many of you know who are on the
18 HMSAP and for some of the new members you may
19 not know, just a little bit of background
20 information on the exempted fishing permit
21 that we issued. The Florida east coast and
22 Charleston bump areas have been closed to

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1 vessels fishing with pelagic longline gears
2 since 2001. Since that time we haven't been
3 able to collect any information from pelagic
4 longline vessels in the closed areas.

5 There have been some fairly
6 significant changes in the fishery since that
7 time. The swordfish fishery has changed due
8 to the closures going into effect, as well as
9 other facts, and the swordfish stock at this
10 point is nearly rebuilt at 0.99 bmsy. So a
11 fairly significant change there in the
12 fishery.

13 In addition to that, there have
14 been some new gear requirements that went into
15 effect in 2004 that I'm sure all of you are
16 aware of. Circle hook requirements, as well
17 as handling and release equipment, has
18 released entangled sea turtles and other
19 endangered species, as well as workshop that
20 are required for all pelagic longline vessel
21 owners and operators.

22 The objectives of the research were

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1 to collective baseline pelagic longline
2 fishery data from portions of the east Florida
3 coast and Charleston bump closed areas. We
4 use the term east Florida coast to distinguish
5 that from the FEC, which is the statistical
6 reporting area that's used for the pelagic
7 longline fishery, which is larger.

8 So we wanted to collect baseline
9 information under current fishery conditions,
10 those being the ones I described on the
11 previous slide, the new circle hook
12 requirements being in effect and the changed
13 status of the swordfish stock as a whole. We
14 also wanted to evaluate the effectiveness of
15 the existing bycatch reduction measures,
16 again, the circle hooks and equipment that
17 we're requiring on all pelagic longline
18 vessels. We also needed to collect data
19 necessary to examine the effectiveness of the
20 existing area closures to meet current
21 conservation and harvesting goals.

22 The pelagic longline research

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1 exempted fishing permit notices that we
2 published came out in November. That was the
3 draft environmental assessment that we
4 published and took public comment on. And
5 then we published a final environmental
6 assessment on January 3rd, as well as our
7 exempted fishing permit to conduct the
8 authorized activities.

9 We received a number of comments on
10 the draft. We responded to those comments in
11 the final EA. Some of the things that we took
12 into account that we have looked at in the
13 draft EA, for instance, the draft EA was
14 largely based on j-hook data from 1995 through
15 2000. Of course, we didn't have any
16 information from 2000 forward, but we did
17 include whatever circle hook information we
18 had from the pelagic observer program from
19 2004 through 2005 in the mid Atlantic and the
20 Florida east coast statistical reporting area.

21 So we did have some limited circle hook
22 information since that requirement went into

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1 effect, and we incorporated that data and
2 included some additional analysis using that
3 circle hook information in the final EA.

4 The activities that were being
5 authorized. Three vessels, with only two
6 operating at any given time and one dedicated
7 backup vessel, are currently authorized to
8 make 289 sets consisting of 5 18/0 non-offset
9 circle hooks each. So we're splitting the
10 sets equally between the open and closed
11 areas. One half of the sets will be made
12 inside the closed areas, one half outside the
13 closed areas.

14 The Charleston bump closure being
15 in effect for only three months out of the
16 year, February, March and April. Those were
17 the time periods that we considered for that
18 area of the east Florida coast closures.
19 Obviously closed year round, so we took into
20 account data for the year round closure.

21 In addition, we have 100 percent
22 observer coverage requirements throughout the

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1 duration of the experiment and the experiment
2 will last one year. I think they made some of
3 their first sets in February.

4 Here you can see the areas that are
5 authorized for the research to take place in
6 hashed areas off the Florida east coast, and
7 also in the Charleston bump. The Charleston
8 bump area cut off is approximately the 200
9 meter line, which you can see there in dashed
10 form. And then in the Florida east coast,
11 it's roughly east of 79, 40.

12 We intentionally selected the areas
13 to minimize potential gear conflicts.
14 Particularly off of Florida, we wanted to stay
15 away from the Gulf stream area, so we're
16 seaward of that where we anticipated fewer
17 recreational vessels to be. We also
18 intentionally located that area away from the
19 200 meter drop off because that is where most
20 of the bycatch has historically occurred at
21 least prior to the closure going into effect.

22 Both of those were intended to minimize any

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1 potential conflicts.

2 The results to date, and we don't
3 have a lot of information because, as I said,
4 it's ongoing and we've only had a number of
5 trips that have been done so far, so we've got
6 four trips that are completed with the two
7 vessels, 24 sets total with 18/0 non-offset
8 circle hooks. The highest swordfish catch per
9 unit effort thus far has been in the
10 Charleston bump. And if you go back and look
11 at the previous slide, that following the 200
12 meter contour, that's really not that
13 surprising because that is where the swordfish
14 tend to aggregate.

15 No bluefin tuna have been caught.
16 There have been four white marlin, three blue
17 marlin, and three sailfish caught thus far.
18 The sailfish was released dead. The other,
19 it's an even split between some live and some
20 dead releases. And there have been two sea
21 turtle interactions, one loggerhead and one
22 leatherback, both released alive with no

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1 trailing gear. And one of those was in the
2 closed area, one was in the open area.

3 I apologize for not having more
4 succinct information on the closures in terms
5 of what occurred inside versus outside. We're
6 still getting that information together and
7 will certainly make that available to you when
8 we have it, but at this point we're still
9 compiling that information. So that's what we
10 have on the EFT.

11 In terms of additional Atlantic
12 pelagic longline take reduction team updates,
13 I'm sure you all are aware that the draft
14 Atlantic PLTR plan, PLTRP, was released in
15 June 2006 and the web page is there for you if
16 you'd like to view that document.
17 Unfortunately, we don't have copies, but if
18 you would like one, we can get one for you.
19 And the proposed rule for the plan is going
20 through internal review right now NIMF. There
21 is a meeting that's going to be scheduled this
22 summer to coincide with the proposed rule

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1 comment period.

2 Some other updates. In addition to
3 the PLTRP, we've got a reminder that we sent
4 out regarding live bait prohibition in the
5 Gulf of Mexico. We issued that reminder in
6 early January because we were hearing from
7 enforcement that there were some concerns and
8 seemed to be some just vessels that were not
9 complying with the regulations. So we
10 distributed some notices reminding people that
11 they may not fish or deploy PLL gear with live
12 bait obviously. They may not possess live
13 bait on board. And they may not maintain live
14 bait fish in a tank or well, and they also not
15 set up or attach an aeration or water
16 circulation device to any tank or well, and
17 they of course went over that yesterday, so we
18 appreciate them covering that.

19 In terms of upcoming and ongoing
20 activities, we're looking at some of the
21 observer program data and examining catches of
22 sea turtles on different hooks and bait

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1 combinations to try and discern some
2 information there in terms of whether higher
3 catches may be occurring on certain bait and
4 hook combos.

5 We're continuing to examine
6 swordfish marketing options. I think we
7 covered that at the last AP meeting. Our
8 division with NOAA fisheries, partnerships and
9 communications has the lead on that. And in
10 addition, we're monitoring swordfish landings
11 and preparing for the ICAP meeting, which will
12 be coming up this year.

13 So that concludes my presentation.

14 If there are any questions, I'd be happy to
15 take those.

16 UNIDENTIFIED FEMALE #2: I want to
17 clarify. Did you say you did not receive any
18 information so that you know whether any of
19 the sets of the four trips were inside or
20 outside? I mean there were only four trips.

21 MR. McHALE: No, they've been
22 rather evenly split between sets inside and

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1 outside of the closed areas, not exactly even,
2 but fairly close.

3 UNIDENTIFIED FEMALE #2: Okay. And
4 on the bycatch of marlin, you said you noted
5 one sailfish was dead. But then when you
6 referenced the marlin, you said well it was
7 fairly evenly split. Why didn't you identify
8 how many marlin were dead?

9 MR. McHALE: Again, it's because
10 we're getting updates as we speak. I was
11 contacting our researcher, who's lead on the
12 EFP, and he's e-mailed me some information in
13 the last day or two. So I don't have that
14 breakdown, but I can get it for you. I just
15 haven't had a chance to work it up.

16 UNIDENTIFIED FEMALE #2: And are
17 the condition of the bycatch species that are
18 severely over fished, is the condition of the
19 fish noted upon release, and are there any
20 PSAT tags put on these to further document the
21 condition of the release bycatch?

22 MR. McHALE: They're not attaching

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1 any PSAT tags. However, they are recording
2 the condition of the fish using the standard
3 pelagic observer program methodology of
4 documenting that.

5 UNIDENTIFIED FEMALE #2: Will you
6 be making this additional information
7 available within a week or two, or how soon
8 can we expect it on the bycatch?

9 MR. McHALE: Yes, I think we should
10 have that within a week.

11 UNIDENTIFIED FEMALE #2: Thank you.

12 MR. CODDINGTON: Yes, Ron
13 Coddington. One question I have is with the
14 number of sets. It looks like we're going to
15 have a hard time getting to the number of sets
16 based on the monthly sets we've been doing so
17 far and I realize the program has a ramp up
18 issue. So one question would be, and you can
19 answer at the end here, is will you be
20 increasing the sets later on to try to get to
21 that target number of sets which may create
22 some issues with your spacial and temporal

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1 aspects of the program? That's one question.

2 The other one is a comment and I
3 know some other people at the table are
4 probably going to have more detailed comments
5 on it. But on all these issues I see coming
6 up, I keep seeing -- whether we're talking
7 about sharks, live bait in the Gulf, or this,
8 is observer coverage, observer coverage,
9 observer coverage. Do you have enough
10 observers? Because there seems to be some
11 indication that some of these sets were not
12 made by these two vessels because there aren't
13 observers available and there may even be a
14 boat sitting at the dock now because of an
15 observer, or something like that. And I see
16 the observer program getting strained.

17 MR. McHALE: Yes, observer coverage
18 has been a challenge and it has curtailed some
19 of the activity. Obviously, we need enough
20 trained observers on board, so we're relying
21 on those primarily. But we've had some of the
22 research staff that are going through the

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1 observer training to be qualified to do the
2 observer coverage as well. So that has been a
3 concern. It has limited some of the sets.

4 In terms of whether we need to keep
5 on track with the total number sets, there's a
6 lot that's going to go into that. One's going
7 to be analysis of the data, and if we're
8 seeing statistically significant differences
9 or not, that could play a factor in terms of
10 whether we need to conduct those additional
11 sets or ramp up more sets at the end of the
12 year if we're not on track. So there will be
13 a lot that goes into play with that. We'll
14 have to work with the science centers to
15 determine what the appropriate number sets
16 would be to conduct.

17 MR. SCHRATWIESER: Jason
18 Schratwieser. Thanks for the update.
19 Appreciate it.

20 I think it would be informative if
21 it would be possible for us to have a
22 quarterly update as the data come in detailing

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1 not only catch of targeted species inside and
2 outside the closed areas, but also bycatch.
3 And I'd also like to see that in reference to
4 what the EFP proposal predicted. I think that
5 would be really informative. Thanks again for
6 the update.

7 MS. BEIDEMAN: Terri Beideman.
8 With regard to releasing the data, it was a
9 little bit of certainly interest in seeing it,
10 but my concern is with quality control before
11 the stuff gets out there and people start
12 building up a head of steam over something
13 that might be wrong. I had a little bit of
14 experience with that regarding various species
15 over the years. I just kind of caution, it's
16 easy, you know, it's easy to have an error and
17 then it's harder to undo it after that.

18 My number one point is the standard
19 of comparison when all is said and done and
20 all the sets are made and all the data is
21 collected that the powers that be that analyze
22 this, because that's just to the ground is a

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1 critical key. I mean you know, you see the
2 map, you know, what there is and what there
3 isn't. It isn't like you can go set a pelagic
4 longline here in the Barnegat Bay and catch
5 swordfish. So just because you have some open
6 area doesn't mean that you have a fishing
7 ground.

8 The standard of comparison has to
9 be pre-closure percentages, not what it used
10 to be last year when it was totally closed
11 because, of course, you're going to have an
12 increase. I mean no brainer. You have to
13 look at what it was before, percentages. You
14 can see the interest in the bycatch from
15 various sectors and that's good, but you have
16 to take a look at what it was and how much is
17 left, not how much it's increased from when it
18 was totally closed, because, of course, that's
19 going to be the different. So that's my
20 number two caution.

21 And I believe if you check the
22 record, you will see that that's been raised

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1 at least by me a whole load of times. So,
2 please, don't raise the bar higher than it
3 needs to be. We need access to these grounds
4 or we're going to lose the fishery. You know,
5 once they're gone, they're gone.

6 And I guess that's it for now.
7 Thanks.

8 MR. HEMILRIGHT: Dewey Hemilright.
9 I have just a couple of questions here. One,
10 on your second page of your presentation, the
11 Charleston Bump is closed for four months of
12 the year. It's not closed year round. So
13 just up there it kind of looks like it's --

14 MR. McHALE: Okay. I apologize for
15 that.

16 MR. HEMILRIGHT: Number two thing
17 is why did they only choose 18/0 non-offset
18 circle hooks? Because especially when you're
19 allowed to fish three different types of
20 hooks, a straight 16, a offset 18, and an
21 straight 18. Why that particular hook?
22 Because I personally fish with a straight 16,

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1 which is a smaller hook.

2 And the third thing is what's the
3 total days at sea of these vessels? Meaning
4 even though they only made 12 set, they might
5 have been out there for -- or 24 sets, they
6 might have been out there 40 days because of
7 weather. And maybe if it appears that we're
8 not getting enough sets in, we need more
9 vessels to get the amount of sets in, that
10 they get it done. Because a lot of times, you
11 know, they might not fish two or three days
12 because of the weather and they couldn't go
13 back in. And these fisheries are based on
14 what they catch is how they're getting paid I
15 believe. They're not being subsidized, are
16 they?

17 So I mean I was wondering what the
18 total amount of days at sea when they leave
19 the dock to dock? Because when we filed our
20 logbooks, you know, you told how many days
21 you're going. So just because you made 24
22 sets, you could have been going 40 days.

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1 MR. McHALE: Yes. I don't know the
2 total number of days at sea thus far. We can
3 get that information and that's an important
4 consideration, obviously. So that's something
5 we'll look into.

6 In terms of the 18/0 non-offset
7 circle hooks, that was primarily intended for
8 the conservation benefits because they are
9 much greater with that type of circle hook and
10 the fact that it's non-offset. So we wanted
11 to minimize the potential for any bycatch,
12 particularly of sea turtles in the closed
13 area. That was the intent.

14 MR. HEMILRIGHT: Well, I just don't
15 want all of a sudden to come up here in a year
16 and the next thing I know I've got to go to
17 18/0 circle hooks. And the conservation
18 benefit, where was this studied at, just in
19 the Grand Banks?

20 MR. McHALE: Correct.

21 MR. HEMILRIGHT: Well, what works
22 in the Grand Banks sometimes might not work

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1 off North Carolina or South Carolina.

2 MR. McHALE: Point taken.

3 MS. ISE: One other quick note,
4 part of the reason to limit the hook, also,
5 was to keep the number of variables down. So
6 the more variables you have, the more sets you
7 need. So you have any kind of statistical
8 analysis that shows anything at the end. So
9 wanting, also, to limit that at least in this
10 pilot stage.

11 MR. MONTELLA: Vince Montella. It
12 appears there was some poor planning involved
13 here in regard to observers. I mean Dave
14 Caresetter, who was the primary researcher in
15 this thing, is currently in observer school
16 after the EFP has already began. That doesn't
17 make a lot of sense to me.

18 There's been four trips made. I
19 know at least one of those trips the vessel
20 started inside, in the closed zone, ended up
21 fishing outside because of poor fishing. I
22 don't know how you make comparisons. It seems

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1 to me you would have to have a vessel inside
2 and outside during the same time period in
3 order to do comparisons of what's being caught
4 on each side. Obviously, I mean, a cold front
5 comes through and shuts them off on a
6 particular night.

7 And getting back to the observers,
8 one of the vessels in this experiment has made
9 one trip inside with an observer, the second
10 trip. Now he informed me on Monday that he's
11 doing three trips now with requests of an
12 observer and he still doesn't have it. He's
13 leaving today without an observer again.
14 Vince Pyle seems to get an observer on his
15 boat every time. I don't understand why one
16 boat is getting observers and the other one's
17 not. But it just seems like the observer
18 thing is not quite working out here especially
19 since, you know -- I mean Dave probably has
20 the most experience of any observer we know in
21 the pelagic longline and he's not qualified at
22 the moment to go on those vessels. It just

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1 doesn't seem like it was planned out very
2 well.

3 MR. McHALE: Well, in part you're
4 right. We've had problems with that. There
5 have been some additional requirements for
6 observer coverage in the Gulf of Mexico, 100
7 percent beginning in March. So there is a lot
8 of strain on the observer program. I have to
9 admit that. And we're trying to account for
10 it by having additional people take the
11 training and trying to get that observer
12 coverage that we need.

13 MR. MONTELLA: How many observers
14 are in the Gulf at the moment?

15 MR. McHALE: I don't know how many.

16 MR. MONTELLA: Ten, 20, 100? I
17 mean we have an EFP. I mean would think an
18 EFP would take priority over, you know -- I
19 mean we can't spare one observer to continue
20 with this EFP? And if it doesn't, are you
21 going to prolong it past year if the vessels
22 don't get the sets?

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1 MR. McHALE: That's something we'd
2 have to think about at the end of the year.

3 MR. MONTELLA: It seems to me that
4 the blue water proposal was better with 13
5 vessels and it would have more coverage and it
6 would have actually given us a better idea of
7 what's happening. Nothing against your
8 attempt to do it here with two, because I know
9 my good friends here had a lot to say about
10 the 13. But it just seems like an honest
11 effort would have been a better -- you know,
12 give us more detail.

13 MR. McHALE: Well, I know we did
14 allocate additional funding for the observer
15 program, and, like I said, it's just been --
16 they have a lot of responsibilities right now.

17 So this is just another one that's been added
18 to their list.

19 UNIDENTIFIED MALE: [Inaudible.]

20 MR. McHALE: We're trying.

21 UNIDENTIFIED MALE: [Inaudible.]

22 MR. RUAIS: Thank you. Rich Ruais.

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1 I'm glad to see that there's a lot of
2 interest in the ongoing research that's here
3 today and it seems as though there's even a
4 little disappointment that the data is not
5 coming in fast enough, and I think Vince had
6 the answer to that. If you would have
7 accepted the blue water proposal and we had 13
8 boats, you'd have a whole lot more data to be
9 reviewing right now. So, anyways, that's one
10 point.

11 When Vince makes the point about
12 one of the boats, the Christian Lee, has gone
13 out three times or four times now without an
14 observer, I want everybody to understand he's
15 not going into the closed area. He's going
16 buoy fishing. He's not participating in the
17 research at that time.

18 The observers has been a problem.
19 There's been contract delays, as Margo knows
20 only too well. And the training of Jay's grad
21 students took a little longer. Dave's own
22 training was complicated by the fact that his

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1 wife was having a baby and that kind of took a
2 little precedence in his life. Although we
3 discouraged it, but it just didn't work out
4 very well. He insisted and she insisted it
5 was going to go forward.

6 But, anyways, I want to emphasize
7 what Terri said. When all the data is finally
8 in, the comparison is the POP data pre-1999.
9 What we're trying to show is that with
10 mandatory circle hooks and safe handling
11 release practices, that you can clean up the
12 fishery from what it once was when you didn't
13 have those management alternatives and tools
14 in front of you. Now you have them. So the
15 comparison is what your bycatch rates were
16 like in that five year period pre-1999, not
17 for white marlin to date.

18 And I think there's some confusion
19 here. The observers, in terms of defining the
20 condition, when you actually get the log
21 report, you will see the descriptions of -- it
22 is required that the observer give his best

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1 view of injuries sustained, or likelihood of
2 survival, or damage done and there'll be some
3 information coming on that.

4 The other point, the point, Chris,
5 that I was going to ask you is the only thing
6 you left off here in your presentation was
7 Charlie Bergman's Pascagoula lab research on
8 weak hook in the Gulf of Mexico which is
9 critical in our mind, and we put a lot of
10 effort into making sure that takes place. And
11 in case some of you aren't familiar about
12 that, the NMPS is again conducting its own
13 experiment using a couple of commercial boats
14 alternating a weak hook with a regular,
15 standardized hook to try to find the perfect
16 hook, if you will, that will allow the capture
17 and retention of the largest yellowfin tuna,
18 but allow giant bluefin tuna on the spawning
19 grounds to just break away.

20 And he's doing ground choosing
21 information. It's an incredible piece of
22 research that he's doing. He's actually

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1 taking dead bluefin off of some of the boats
2 and setting them out and hauling them back to
3 prove the fish are not being lost in the
4 haulback procedure, but, in fact, the fish are
5 actually straightening out the hook and
6 getting off while they're alive. So they
7 won't be subject to that criticism that, you
8 know, it wasn't the weak hook, it was that
9 there is a haul back. It fell off during the
10 haul back. So that research we see as being
11 very critical and deserving as much attention
12 as what we're doing in the Charleston bump
13 area as well.

14 I think that's it. Thank you.

15 MR. WHITAKER: Rom Whitaker,
16 Hatteras Charter Boats. Just as an advisory
17 panel member to help advise, I think it's
18 critical that we not only hear the bycatch,
19 but the targeted species and have it available
20 ASAP. Thank you.

21 MR. AUGUSTINE: Thank you. Pat
22 Augustine. Has anyone given a thought to

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1 investing some money in realtime video as
2 opposed to the observer program? It just
3 seems to me what we're having that observer do
4 is to determine the critical nature of these
5 animals, whether they're alive, dead, or what
6 status they are.

7 And I think like the vessel
8 monitoring system that was brought to the
9 table, and I think an advisory panel back in
10 New Orleans in about 1997, we talked about why
11 not use existing tracking gear that's out
12 there and apply it to the commercial fishing
13 fleet. Well, it's now ten or 12 years later
14 and we do have a vessel monitoring system.

15 But I think realtime video with a
16 satellite communications capabilities, now
17 it's time to look at this other method for
18 observer coverage. And there's no question as
19 quotas get squeezed and the commercial vessels
20 get squeezed and the numbers that are going to
21 be out there fishing, as well as recreational,
22 we need something that will give us a real

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1 picture.

2 And there's just not enough
3 observers, and there's not ever going to be
4 enough observers. So if we want accuracy, we
5 want honesty, what better way than to look at
6 a monitor and say this is what is. So I think
7 you should consider that in the future, or
8 near future if you can.

9 MR. ROGERS: I do know there are a
10 couple of pilot projects going on using that
11 technology. So something to look into.

12 UNIDENTIFIED FEMALE: Maybe with
13 the critical shortage of observers, maybe we
14 should look at some of the court-required
15 community service and just draft them into
16 observer training immediately and put them on
17 boats to bump up our crop.

18 But back to what Terri and Rich
19 both -- back to some of the points they
20 raised. Certainly assessing the data and
21 making sure before you release it that it's
22 all been given good scrutiny, certainly once

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1 it comes out, we'll have Dr. Goodyear to go
2 over it as well.

3 But to Terri's point and Rich's on
4 the comparison of bycatch, certainly the
5 composition of the bycatch species, as well as
6 the targeted species in this case, both have
7 changed. Swordfish having increased
8 significantly more so. White marlin, which we
9 just went through an ESA review, while their
10 stocks have come up, they're not great. But
11 the point is that the composition of the
12 bycatch species in numbers is higher now as
13 are the targeted species. So I would defer to
14 a scientist in looking at, in order to have a
15 fair comparison. Since the composition of
16 what you're trolling for or setting for and
17 bycatch has also changed, doesn't there have
18 to be also comparison today, not just pre-
19 1999? But, again, I'll defer to a scientist
20 on that. It seems like there has to be some
21 comparison today as well as to the past.

22 Moving to the Gulf with what Rich

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1 brought up on the weak hook or breakaway
2 research, is there consideration, are you also
3 documenting the marlin bycatch? Certainly the
4 marlin bycatch, as I said repeatedly, is
5 higher in the Gulf of Mexico by U.S. vessels
6 over anywhere else they fish. And so while
7 both of these species, blue and white marlin,
8 are seriously or severely over fished, is
9 there documentation being done on the bycatch
10 species and is there any consideration on
11 breakaway to reduce the post-release mortality
12 on those species?

13 UNIDENTIFIED FEMALE SPEAKER: You
14 know I know that these vessels are out
15 fishing, and so I'm presuming they're filling
16 out logbooks at least, if not other things for
17 the study. I don't know the details of what
18 is being collected on that for some of the
19 other species. Guillermo, do you have a sense
20 of that?

21 MR. DIAZ: [Inaudible.]

22 UNIDENTIFIED FEMALE SPEAKER:

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1 Certainly. Do they document in the observer
2 or the captain's logbook the condition of the
3 bycatch species?

4 MR. DIAZ: [Inaudible.]

5 UNIDENTIFIED FEMALE SPEAKER: Okay.
6 Good. Thank you.

7 MR. MONTELLA: Going back to what
8 Terri has said. I think the comparisons are
9 important. I know that this experiment is
10 multisolvent as far as bycatch is concerned.
11 What's being caught inside and what's being
12 caught outside, obviously, is important, but
13 you need to have a baseline that's going to
14 show that the improvements in bycatch
15 reduction are effective, and I think that's
16 what this experiment is really about.

17 In regard to that, you need to look
18 at the sea turtles. I mean post extruding
19 devices in the Gulf, the shrimpers, in the
20 last four years I've heard of more sea turtles
21 -- I talk to guys every day. From the Grand
22 Banks to the Gulf of Mexico, there's more sea

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1 turtles than they've ever seen in their lives.

2 I think that needs to be factored into what's
3 being caught now and what was being caught. I
4 don't know who's keeping track of the sea
5 turtles, or what you have in your logbook, or
6 how accurate from your test, but, you know,
7 the fact is that they're seeing them
8 everywhere.

9 I mean up on the Grand Banks
10 there's sea turtles everywhere. In the Gulf
11 of Mexico, out front here, we go out for a day
12 here, live bait and sail fish, we see a half a
13 dozen of them. They're everywhere. So that
14 really needs to be factored into the fact how
15 many are being caught in comparison to what
16 was caught before.

17 UNIDENTIFIED MALE: To Vince's
18 comment, I was going to mention that I was
19 reading a scientist who noted, who in response
20 to a question I asked of her about captain's
21 reports, that as Vince says they're seeing a
22 lot more sea turtles, and the answer was that

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1 that was fully expected in recovering stocks.
2 You're going to interact with them more when
3 the actions to protect them are working.

4 To Alan's comments, I agree
5 entirely about there's got to be a look at
6 current day review of the level of marlin
7 catch, not just a comparison with what it was
8 before. And, you know, the concerns over
9 white marlin, you know, we all dodged a bullet
10 on that one, but also remind you there'd be
11 500 more white marlin in the water today if
12 the tournaments had gone to a circle hook and
13 not waiting an extra year as well. So we can
14 all take a little blame for that.

15 In terms of the Gulf research
16 that's going on right now, the vessels, you
17 want to keep in mind, are independent -- are
18 hired by the Agency. They're independent
19 contractors at the Agency direction. The
20 Agency directs what's going on. And I know
21 that typically when that happens, the
22 scientists that are involved want maximum

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1 information flowing because research dollars
2 are very limited, very hard to get a hold of,
3 observers are very hard to get a hold of. I
4 can't believe that you wouldn't see the
5 bycatch information on blue marlin that might
6 be taking place during that research.

7 Although, as the good doctor points
8 out, the experiment wasn't designed to test
9 the breakaway strength that would be necessary
10 for the blue marlin. That's another
11 experiment. Maybe the foundation can provide
12 some funding for that one. We'll do a joint
13 research.

14 MS. MILLER: Just one word of
15 caution. Dana Miller. Just one word of
16 caution on the breakaway hook study. I think
17 that definitely has potential and a lot of us
18 in the room are interested in the results of
19 that study. But just because a bluefin tuna
20 would break away that hook and get away,
21 tagging and fisheries data, we know that
22 bluefin are physiologically stressed in the

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1 Gulf of Mexico because of the warm
2 temperatures. So whatever energy that's
3 exerted to break away that hook, you know,
4 there could be post-release mortality there we
5 can't ignore. Thanks.

6 UNIDENTIFIED MALE: Thank you. I
7 kind of waited to be last because some of what
8 I have does not have to do with the research
9 portion.

10 But one comment I do have on the
11 live bait prohibition in the Gulf, and you
12 said notices were resent out early this year,
13 you may be doing so already, but you have to
14 remember that the majority of these fishermen
15 are of the Asian descent and hopefully you
16 sent it in their native language because most
17 of them don't speak English.

18 And I know it's difficult, but from
19 Louisiana, we've had to notify quite a few of
20 the historic fishermen in French what was
21 going on because they were not English-
22 speaking either. So I hope that's taken and

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1 consider that, and, obviously, looking at the
2 names, it should be easy to detect.

3 The other issue I have is just to
4 give some information to you. I was going to
5 do this tomorrow at the tuna update and that's
6 why I sort of waited to be last given my
7 comment because this takes a few minutes.

8 It has to do with a possible, and
9 I'm going to use the word possible, new and
10 uprise in fish rate. And in the Gulf where
11 the fishermen historically fish for multiple
12 species, being shut down on red snapper and
13 shut down on grouper and shut down on many
14 other fish, a shutdown on shark this year,
15 they have to go find some other methods of
16 paying their mortgages, and HMS species is
17 there.

18 It's ingenious what's been
19 happening by just a very few boats, and I
20 wouldn't mention it until this year with the
21 high price of fuel and people needing to make
22 money, that maybe it's going to explode, and

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1 maybe it won't. Maybe the couple of boats
2 doing it is going to just let it die. I don't
3 know if this is a gear type.

4 But what they're doing is taking,
5 they meaning a few commercial boats, we're
6 blessed with a lot of deep water oil rigs.
7 Some of them in 3,000 to 5,000 foot of water.

8 And on the up-current side you can pretty
9 much count on a school of yellow fin. The
10 distance might vary day by day depending on
11 the current, but they'll be there. Taking
12 small torpedo floats with a small amount of
13 line, 50 to 100 foot of line, circle hook and
14 a live bait, and deploying half a dozen to a
15 dozen of these well up current of a school of
16 tuna, and just letting the current pull them
17 through the school and through the platform
18 and picking them on the down-current side.

19 And it sounds real ingenious and I
20 don't think there's anything illegal about it
21 because it's not a long line. The only
22 problem that I've heard commercial fishermen

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1 talk about it when they hook a marlin, and
2 that's what the live bait prohibition's about,
3 they don't go chase after a couple dollars
4 floats and a 59-cent, 49-cent hook, they just
5 let the marlin jump over the horizon, don't
6 chase after him because they got attend to
7 bobbing buoys trying to hook that bandit to it
8 to bring them in and there's no attempt to
9 even release the billfish alive.

10 Now, it's not being done on a wide
11 scale, but I just wanted to mention it is
12 being done, and from what I understand, it's
13 nothing illegal about it. But the bycatch
14 issue is almost impossible to solve because
15 once they have buoys going in every direction,
16 they can't keep track of them. I thank you.

17 UNIDENTIFIED MALE: With all due
18 respect to Shana, I don't know how many
19 bluefin tunas she's pulled on, there are
20 plenty of smart people in this room. I view
21 my contribution here as somebody with hands
22 on. And I didn't know about Charlie, you

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1 know, his hook test, weak hooks, or whatever.

2 A bluefin tuna is not going to
3 break off in half an hour. He's going to pull
4 -- his initial run is going to break that
5 hook. Okay? That's when he's got the most
6 power, the most energy. It's not going to be
7 something where he's going to hang on a weak
8 hook for 30 minutes and then break the hook.

9 I mean I've pulled on them. I've
10 pulled on lots of them. If a weak hook's
11 going to break, it's going to break on the
12 initial run.

13 MARGO: So let's take a 15, 20
14 minute break. We're going to come back to the
15 presentation on the tuna longline permit
16 renewal proposed rule about 10:30, and then
17 after that move into the permit reform
18 presentation right before lunch.

19 (Whereupon, the foregoing matter
20 took a break and went off the record at 10:15
21 a.m. and back on the record at 10:30 a.m.)

22 UNIDENTIFIED MALE SPEAKER: This

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1 presentation is a proposed rule for the
2 renewal of Atlantic tuna longline limited
3 access permits, or ATLPs, and Atlantic shark
4 identification workshop attendance
5 requirements. So it's really two topics and
6 the presentation is going to be divided into
7 those two topics.

8 The proposed rule published last
9 Friday, we're going to be holding hearings the
10 first week in May. The comment period on this
11 proposed rule closes May 12th. We anticipate
12 publishing a final rule in June, and the
13 regulations will ultimately become effective
14 in July.

15 Before I get into it in any great
16 detail, I just want to emphasize that both of
17 these topics concern regulatory changes to
18 address technical or operational constraints.

19 Both of these topics are anticipated to
20 result in some economic benefits to the
21 affected entities, and we only anticipate
22 minor ecological impacts for both of these.

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1 So the first topic is the renewal
2 of Atlantic tuna longline permits. This
3 proposed rule is a followup to the swordfish
4 revitalization final rule that was published
5 last summer. As you'll recall, that final
6 rule modified vessel upgrading restrictions
7 for vessels concurrently issued three limited
8 access permits.

9 That would be swordfish permits,
10 swordfish directed or incidental permits,
11 shark directed or incidental permits, and an
12 Atlantic tuna's longline permit. Those are
13 the three permits oftentimes we refer to them
14 as the pelagic longline trifecta.

15 During implementation, NMPS found
16 inconsistencies between the swordfish and
17 shark permits and the Atlantic tuna longline
18 permit, which were primarily due to the
19 differences in the permitting system used to
20 administer and issue these permits. Again,
21 the modified vessel upgrading regulations were
22 allowed for vessels that were concurrently

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1 issue or eligible to renew the swordfish,
2 shark and Atlantic tuna's longline permit on
3 August 6, 2007.

4 And it was fairly straightforward
5 determining which vessels were issued or
6 eligible to renew their swordfish and shark
7 permits. However, it was a little bit more
8 difficult to make that determination regarding
9 the Atlantic tuna's longline permit.

10 So I want to now explain some of
11 the differences between the way that the
12 swordfish and shark permits are issued and the
13 way the Atlantic tuna's longline permit is
14 issued.

15 Start with the swordfish and shark
16 permits. Those permits are issued out of the
17 southeast regional office permit office. So
18 there's an actual office dedicated to issuing
19 and administering these permits. NMPS mails
20 paper renewal applications to permit holders
21 and a lot of the information is already
22 preprinted on that application.

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1 One of the key differences is that
2 swordfish and shark permits may be held in
3 no-vess ID status. Say, for example, that
4 would be when a permit holder sells a vessel
5 but wishes to retain that permit. They can
6 put that permit in no-vess ID status and then
7 they can renew that permit annually so there's
8 a clear way to indicate that that permit has
9 been retained.

10 Another very important component of
11 swordfish and shark permits is that those
12 permits remain -- the permit number remains
13 unchanged through time, even if the permit is
14 transferred. Say, for example, a swordfish
15 directed permit might have the number FSD3,
16 and then if that permit is bought or
17 transferred to another vessel, that permit
18 number stays the same, FSD3. So those are
19 some of the components of swordfish and shark
20 permits.

21 Now, I'd like to explain some of
22 the differences between the Atlantic tuna's

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1 longline permit. That permit is administered
2 online using www.hmspermits.gov. A general
3 permit renewal reminder letter is mailed.
4 Basically, it's a copied version just to
5 remind people that they need to renew their
6 tuna permits.

7 No-vess ID status is not available.

8 The tuna longline permit must be linked to a
9 vessel, otherwise, it cannot be issued. And
10 that's a component of the computer program
11 that's used to issue it.

12 Also, the tuna longline permit does
13 not have a unique number associated with it
14 that remains unchanged through transfer. The
15 permit remains linked to the vessel's Coast
16 Guard documentation number or the state
17 registration number. In fact, because of
18 that, when the permit is transferred, the
19 permit number changes.

20 So all of this results in the fact
21 that ownership of the tuna longline permit can
22 be much more difficult to track through time

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1 upon permit transfer or upon changes in vessel
2 ownership.

3 This is the regulation that we're
4 speaking to modify slightly in this proposed
5 rule. Currently, it reads: Only persons
6 holding a non-expired limited access permit in
7 the preceding year are eligible to renew a
8 limited access permit. So, basically, that
9 means if you didn't have a permit last year,
10 you can't be issued one this year.

11 The constraints associated with a
12 tuna longline permit were not really fully
13 recognized until this past September, again,
14 when we were determining which vessels were
15 eligible for the revised vessel upgrading
16 restrictions and which vessels had the three
17 permits. Approximately 40 permit holders that
18 thought they were eligible for the tuna
19 longline permit were notified that it had been
20 expired for more than one year, thus they were
21 not eligible to renew it.

22 We discovered this really when we

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1 were implementing the swordfish revitalization
2 rule. However, all of these permit holders
3 have maintained their swordfish and shark
4 permits through timely renewal. These 40
5 vessels are no longer allowed to retain
6 swordfish or tunas captured on longline gear
7 because they must concurrently be issued the
8 swordfish permit, a shark permit, and a tuna
9 longline permit.

10 As a result of some of these
11 differences, the number of available
12 complimentary tuna longline permits may be
13 insufficient to match the number of available
14 swordfish and shark permits. So we have kind
15 of an imbalance in the number because you're
16 required to possess all three to fish with
17 tunas with longline gear or to retain
18 swordfish other than with a swordfish hand
19 gear permit.

20 So the objectives of this proposed
21 rule were to amend the HMS regulations to be
22 more reflective of the operational

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1 capabilities of our permitting system; also,
2 to ensure that there are adequate number of
3 tuna longline permits available for swordfish
4 and shark permit holders to complete the
5 trifecta.

6 Ultimately, we're hoping to
7 reinforce recent efforts by the National
8 Marine Fisheries Services to revitalize the
9 swordfish fishery by providing a reasonable
10 opportunity to harvest ICAT recommended quota.

11 So these are the alternatives:

12 Alternative (1) is the no action or
13 status quo.

14 Alternative (2), which is the
15 preferred alternative, would allow for the
16 renewal of tuna longline permits that have
17 been expired for more than one year by the
18 most recent permit holder of record provided
19 that the swordfish and shark permits have been
20 maintained through timely renewal, and that
21 all of the other requirements for permit
22 renewal are met.

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1 I just want to describe a little
2 bit of the summary of impacts. The preferred
3 alternative would not increase the number of
4 tuna longline permits beyond the number of
5 current swordfish limited access permit
6 holders. Essentially, the swordfish permit
7 would be kind of the driving permit in this.

8 This is what the proposed
9 regulation would say: Only persons holding
10 non-expired swordfish and shark permits in the
11 preceding year are eligible to renew those
12 permits. Right now it says only persons
13 holding non-expired limited access permits.
14 So basically we're removing the tuna longline
15 permit from our current regulation and
16 specifying that it's applicable to swordfish
17 and shark permits.

18 Again, this rule would not change
19 the requirement to possess swordfish and shark
20 permits in order to obtain a tuna longline
21 permit, and it would also retain the
22 characteristic where it requires the

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1 possession of the three permits to fish for or
2 retain HMS with pelagic longline gear.

3 This preferred alternative reflects
4 the operational capabilities of the tuna
5 longline permit system and it clarifies our
6 operational practices. And we do not expect
7 any significant changes in historical fishing
8 practices, fishing efforts, or economic
9 impact. However, there will be economic
10 benefit to the 40 former tuna longline permit
11 holders that were recently informed that they
12 weren't eligible to renew their tuna longline
13 permit. So that universe will experience some
14 economic benefit.

15 Now, I'd just like to switch gears
16 and talk about the proposed rule regarding
17 Atlantic shark identification workshop. The
18 consolidated HMS FMP required that shark
19 dealers and/or proxies attend an Atlantic
20 shark identification workshop to renew their
21 permit. This was primarily to improve the
22 accuracy of the reporting of shark species,

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1 and this regulation became effective this past
2 January.

3 Dealers that attend these workshops
4 will receive a certificate for each location
5 listed on their permit. However, if they opt
6 to send a proxy to these workshops, they must
7 send a proxy for each location listed on their
8 dealer permit. Dealers may not receive shark
9 products unless they have an Atlantic shark
10 identification workshop certificate on their
11 premises.

12 So the important point here is if
13 the dealer him or herself attends, they'll get
14 a certificate for each location listed on
15 their permit. However, if they have a proxy
16 attend, they're going to have to send a proxy
17 for each of the locations listed on their
18 permit.

19 We've heard that dealers might not
20 receive shark products at all of the locations
21 listed on their permit. Therefore, it seems
22 unnecessary to require workshop certification

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1 for those locations. It's currently not
2 feasible to modify our permit database to
3 identify only locations that actually receive
4 shark products on the Atlantic shark dealer
5 permit.

6 All right. What that means is that
7 for each dealer, we have a list of locations.

8 We have one list of locations, regardless of
9 whether they're receiving shark or red snapper
10 or grouper or kingfish, we have one list of
11 locations for each dealer and that goes on
12 each dealer permit. It's not feasible for us
13 to modify that list only for the shark
14 identification workshop to include only
15 locations that receive shark products. I hope
16 I explained that clear.

17 The alternatives for this, one is
18 the status quo alternative. A preferred
19 alternative is to require a certificate for
20 each place of business where Atlantic sharks
21 are first received. So that's the difference.

22 Rather than for each location listed on their

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1 permit, just make this requirement for each
2 location that actually receives shark
3 products.

4 Then the second component is to
5 require the dealers trucks and other
6 conveyances possess a copy of a valid workshop
7 certificate. That was added at the request of
8 the Office of Law Enforcement primarily
9 because not all dealers locations are located
10 where the sharks are off loaded. So it's just
11 to be able to have that certificate on the
12 truck that might be receiving the shark
13 products and then taking it back to an inshore
14 type of location.

15 This proposed regulation really
16 only affects a very narrow universe of shark
17 dealer permit holders. That would be those
18 permit holders, first of all, that opt to send
19 a proxy to a workshop. Two, they have
20 multiple locations listed on their dealer
21 permit. And, three, that they only receive
22 shark products at some of those locations. So

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1 actually it's a very narrow universe that
2 this regulation would impact. However, the
3 requirement for trucks and other conveyances
4 to possess a copy of the workshop certificate
5 would affect all shark dealer permit holders.

6 Ultimately, the preferred
7 alternative eliminates the need for a dealer
8 to send a proxy to a workshop for a location
9 that does not receive shark. As a result, it
10 would reduce the economic burden by reducing
11 the number of proxies that may be required to
12 attend shark identification workshops.
13 However, identification and reporting accuracy
14 will not be compromised because every location
15 that first receives sharks would still be
16 required to have the certificate.

17 Also, dealer trucks and other
18 conveyances would be considered extensions of
19 the dealer and would be required to possess a
20 copy of the dealer certificate. So that kind
21 of closes up the truck issue if the dealer
22 location is not where the sharks are being off

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1 loaded.

2 As I said earlier, the public
3 hearings, there's going to be three of them
4 the first week in May, Gloucester, St.
5 Petersburg, and Silver Springs. The comment
6 period closes May 12th and here's all the
7 information regarding the submission of public
8 comments on this proposed rule. Thank you.

9 MS. MERRITT: Thank you. Rita
10 Merritt, South Atlantic Council. Just a
11 question regarding permits. I'm not familiar
12 with shark dealer permits. Are they issued to
13 individuals or to entities?

14 UNIDENTIFIED SPEAKER: Yes, they're
15 actually issued to both where on the
16 application they could actually apply
17 underneath a corporation or they can apply as
18 an individual. So it can go either way based
19 upon how that individual or entity wants the
20 permit issued.

21 MR. HEMILRIGHT: Dewey Hemilright.
22 I have just a couple questions and some

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1 comments about this because I have a little
2 history on this. And I find it kind of ironic
3 that we're just figuring out that 40 permit
4 holders didn't have their Atlantic tuna
5 longline permit. Some of us had to go pay
6 tens of thousands of dollars for some permits
7 and it looks like to me here that these 40
8 permit holders, I would venture to say,
9 probably could be selling the permits. That's
10 why they need this thing. And it probably
11 more likely I don't see a whole bunch of
12 directed swordfishermen in boat capability
13 going fishing, meaning some tonnage. So it
14 kind of seems like to me that this is
15 basically just to allow people who didn't
16 follow the law before when other ones had to
17 by making sure that they had their directed
18 general category tuna or Atlantic tuna
19 longline permit when you all did this about,
20 what was it, six years ago, seven years ago.

21 UNIDENTIFIED SPEAKER: [Inaudible.]

22 MR. HEMILRIGHT: Longer than that.

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1 So we're talking about eight or nine years
2 ago, heck, we'll just say eight years and in
3 2007 we're just figuring out that these 40
4 didn't have it. So when I see this going into
5 effect, I don't see no tonnage being caught.
6 I see just maybe people selling a permit to
7 the highest people down south and somebody
8 getting a little economic value there when
9 everybody else played ball from the beginning.

10 I mean you all put a little
11 different spin on it here, but I expect that
12 my conclusion is a little bit closer to
13 reality. So by sitting here telling everybody
14 in this room that the historical practices,
15 fishing effort and economic practices, no
16 significant changes, well, it is. I mean,
17 basically, this is just fixing it for the
18 people who didn't keep up with the law as some
19 of us did and it's a chance to sell their
20 stuff whether it be buoy gear or rod and reel
21 fishery in South Florida.

22 So maybe when you come, you know,

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1 some people might not understand it, but you
2 should put the honest face on it because I
3 think up there in Gloucester you all have tons
4 of phone calls, tons of phone calls about
5 this, and this is the picture that you decided
6 to show here that people didn't know. Well,
7 they knew. They just didn't keep up with it
8 seven, eight years ago when some of us did.
9 So basically this is just a way to sell your
10 permit.

11 And my second question -- well,
12 that was just an observation. The second
13 question would be, if I have an incidental
14 swordfish permit and an incidental shark
15 permit, are you going to give me an Atlantic
16 tuna longline permit?

17 UNIDENTIFIED SPEAKER: Underneath
18 the proposed rule, if you have qualified for
19 that shark permit and the swordfish permit
20 during the '99 FMP and have maintained those
21 permits throughout the duration, you would
22 receive the Atlantic tuna's longline permit as

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1 results of the preferred alternative proposed.

2 MR. HEMILRIGHT: And maybe you
3 should be more forthright on selling the
4 reason for this, is that people want to be
5 able now to sell the permits. And it's
6 obvious that in this [tape is blank].

7 UNIDENTIFIED SPEAKER: A couple of
8 points to respond to that. One of the points
9 that I was trying to make is that they in some
10 instances could not comply with the regulation
11 because the permit could not be issued if they
12 did not have a vessel. So if they sold their
13 vessel, but wished to retain their permit,
14 they were unable to renew that permit just
15 because of the characteristics of the computer
16 program that administers those permits.

17 And to your second point, if they
18 do choose to sell those permits, possibly they
19 would sell those to somebody who would choose
20 to utilize those permits and that, in fact, is
21 one of the things that we would actually like
22 to see as a result of this rule.

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1 UNIDENTIFIED SPEAKER: Hang on one
2 second, Joe. Let me stay in the queue here.
3 So hold on, hold on. You're not up yet.
4 We'll give you an extra minute then. So it's
5 Rusty, Ron, and then Terri.

6 MR. HUDSON: Rusty Hudson, Directed
7 Shark. I guess I have like two questions, two
8 different parts here.

9 So the first question, the location
10 issue for the shark dealer, does that
11 substantively change I believe it's the CFR
12 635.28 section B, section 3, which has to do
13 with if your closed in one region, you send a
14 truck to an open region, that technically they
15 were illegal? You just had let us know that
16 last Fall after nearly four years when you put
17 that into effect back December 24th, 2003.

18 So my question is, with the
19 non-sandbar approach that you're having, the
20 two regions for the future if you go final
21 with all that, if you're on the east coast and
22 let's say it gets closed down for non-sandbar

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1 for some reason, then you send your truck over
2 to the other side, or, even still, you have
3 four or five locations with your company and
4 one of those companies is on the west coast,
5 are those trucks illegal for having purchased
6 that?

7 Because we were told last fall that
8 those trucks were illegal for having gone and
9 purchased in an open Gulf of Mexico, something
10 they had done for decades, and so I just want
11 to make sure the dealers have: (1) the option
12 to prosecute their business as normal and, (2)
13 not to get in trouble and to be able to deal
14 with this comment and public hearing coming up
15 because there's a couple of dealers that may
16 pop up over at St. Pete on May 6th. I won't be
17 in town, so I can't be there.

18 So I need to be able to give them
19 you all's expertise on, first, the law that
20 exists today, and then the law that may exist
21 after this rule goes final. You can answer
22 that question, then I'll go to my second

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1 question.

2 UNIDENTIFIED FEMALE SPEAKER: The
3 change that's proposed here would not affect
4 any of that. It basically would be requiring
5 the trucks that are part of the dealer, that
6 are an extension of the dealer, they should
7 have a copy of that workshop in the truck.
8 The rest of it is unaffected.

9 MR. HUDSON: So it still would be
10 illegal if it's closed on the east coast
11 unless if a caveat that he has a location on
12 that west coast that's listed, or does he have
13 to go and get a separate permit for that
14 region? You know, this is an option that some
15 of them can get themselves a little place and
16 be able to have the truck operate out of.

17 UNIDENTIFIED FEMALE SPEAKER: Any
18 place that trucks are received will need the
19 workshop certificate on the premise. If there
20 is a truck that's part of that location, an
21 extension of that location, it will need a
22 copy in the truck.

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1 MR. HUDSON: Well, the workshop
2 wasn't what I was going after as far as an
3 answer. I'm trying to find out if the dealers
4 can go back to the traditional practice of
5 purchasing in other regions and then being
6 able to eventually bring it to his own fish
7 house if it's closed in his region, which is
8 like in the Cape Canaveral area for the person
9 in for instances, or down in the Keys for
10 instance, and then be able to still, you know,
11 try to go back to the old way of being able to
12 purchase sharks in the open region.

13 UNIDENTIFIED FEMALE SPEAKER: I
14 understand the issue that you're raising, and
15 what I'm trying to clarify is that this rule,
16 this proposed change, does not affect that.
17 Those regulations are remaining in effect.
18 The shark final rule to the amendment will
19 have some impact on how the fishery operates,
20 but this rule does not affect any of that.

21 MR. HUDSON: Okay. So the answer
22 is, no, that they still cannot go and purchase

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1 in an open when it's closed in their area
2 based on where their permit is issued and the
3 trucks have to have a copy of the workshop.

4 Now, my second question has to do
5 with the workshop. You have the desire to put
6 fins on the carcass for the unload. The shark
7 ID workshop deals with a half a carcass from
8 the first dorsal, or actually behind the first
9 dorsal, right on back and you're dealing off
10 the second dorsal and an anal fin, and maybe
11 ventral fins. And, technically, not even the
12 ventral fins because only the dorsal, second
13 dorsal, and the anal fin is required
14 currently.

15 It would behoove you to have the
16 person that's teaching the workshops be able
17 to have access to not only the legal sharks,
18 but the prohibited sharks to be able to get
19 different life stages and sexes of such like
20 duskie to be able to then ensure that your
21 dealers have good ID skills. That's something
22 that he and I discussed the other day, but he

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1 cannot go riding out on the pond. But the
2 scientist that can take a dead dusky, for
3 instance, put it on the boat and then give him
4 the option to be able to: (1) take the
5 pictures of the fins, or maybe law enforcement
6 has some in their inventory.

7 You know, there's a way to be able
8 to increase the likelihood that the dealers
9 are going to be more accurate with their ID.
10 That's really where we're trying to get to
11 with your 100 percent identification ability
12 for the dealers and for the fishermen. So to
13 achieve that goal, you need to expand his
14 teaching outreach material, and that's what
15 I'm suggesting is part of the question, or
16 whatever, for these workshops.

17 UNIDENTIFIED FEMALE SPEAKER: Yes.

18 I mean we've tried to and can work with a
19 number of different ways of getting samples of
20 the different species. I know that he's
21 created kind of logs, permanent logs from some
22 of them. So we can work on all that.

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1 MR. CODDINGTON: Yes. Ron
2 Coddington. I've got some other comments.
3 Some of them are going to echo what Dewey said
4 about the 40 permits.

5 It looks like what we're doing is
6 we're rewarding 40 privileged individuals that
7 have not helped this fishery a bit because,
8 presumably, these 40 permits are parked as
9 no-vessel IDs. They're not on the water.
10 They've allowed the Atlantic tuna longline
11 permit to expire or been forced to. But these
12 aren't boats that are fishing.

13 Anyone out there that holds one of
14 the limited access permits realizes that they
15 know that they get several mailings a year
16 from people trying to buy those permits. It
17 looks like what we're doing is we're taking
18 these 40 people, rewarding them for not
19 helping the fishery, and park them as
20 no-vessel IDs, which there's been comments
21 from this advisory panel to do away with
22 no-vessel IDs. We're not going to catch quota

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1 with a no-vessel ID.

2 These things are being carried as
3 an investment and they're going up every year.

4 We know specifically one permit that just
5 moved out of Florida, probably coming back to
6 Florida, but moved for \$45,000 for a hand gear
7 permit. I don't think there's anybody in this
8 room that can come up with a way to catch our
9 swordfish quota without putting boats on the
10 water. If we're going to reward these 40
11 individuals, and all we're doing is monetarily
12 rewarding them, and you might be rewarding
13 them to the tune of \$40,000 a piece, there's a
14 lot of money at stake here, and I guess for
15 that purpose it's worth us spending our time.

16 But we're going to spend our time
17 on this for 40 privileged individuals. If
18 we're going to do this, there certainly should
19 be some kind of sunset clause or something in
20 it if you're not going to use the permit.
21 We're back to the use it or lose it, and
22 you're just not going to catch swordfish

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1 quotas with a limited access permit that
2 continually dwindles down in numbers and, in
3 part, because we park them as no-vessel IDs
4 waiting for the top dollar.

5 I don't think that's what's going
6 to help our swordfisheries. We need to look
7 at why we should be rewarding these 40
8 individuals for not helping our fishery.
9 There's differences, there's exclusions, all
10 this. Certainly some of these are real people
11 that want to go fishing, but a vast majority
12 of these are like Dewey said, it's dollars.
13 It has nothing to do with tonnage, no tonnage
14 is going to put on the dock.

15 And if you move some of these
16 permits, which the first place they're going
17 to be looked at to move is to the buoy fishery
18 in South Florida, and by now I think everybody
19 realizes that the buoy fishery is really only
20 working and being explored in depth in South
21 Florida. It will work in other areas. People
22 aren't doing it. So we're looking at permits

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1 that are going to simply provide dollars to
2 these 40 people.

3 A percentage of these are going to
4 end up in the buoy fishery, which is not going
5 to put -- it's a good fishery, but it's not
6 going to put a lot of tonnage on the board
7 that we need for ICAT. These are some of the
8 considerations we need to be looking at with
9 this 40 permit rule.

10 UNIDENTIFIED MALE SPEAKER: I don't
11 disagree with anything that you said. There's
12 another category of vessel owners out there
13 that this would affect that are included
14 within that 40, and those would be squid
15 trawlers that, because of the need to have the
16 three permits, these squid trawl vessels have
17 to have a tuna longline permit, and somewhere
18 over the course of those last eight, ten years
19 since limited access permits went in, I don't
20 know for whatever reason, but the need to
21 renew these permit, a longline permit for a
22 trawl vessel may have escaped them. So

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1 there's another group of vessels out there as
2 well, too.

3 MS. BEIDEMAN: Terri Beideman.
4 Thanks, Rick, for the presentation, although
5 something else comes to mind when you say
6 trifecta. It's certainly not pelagic longline
7 fishing.

8 I have a little bit different spin
9 on this. I say it's a no-brainer. You got
10 people throwing away or can't fish, can't sell
11 their permits, can't enable a boat to go, they
12 can't contribute because they can't fish. If
13 they don't have all three permits, then
14 they're not allowed to go, so they can't
15 contribute.

16 I know people that got caught up in
17 that, and Dewey's right, some of them had to
18 pay for it. But there aren't enough permits.

19 That's what we've discovered. They've gone
20 through attrition because they're tied to dock
21 numbers of vessels and people have lost their
22 vessels or sold them. And I recognize that

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1 some hanging onto it just for economics. But
2 we need boats, like you say, Ron, out on the
3 water fishing, and we need permits to be able
4 to do that. So I say first step.

5 My first question, though, really
6 is, is this the entire extent of your permit
7 revision that you are proposing? Because when
8 we were here the last time, our number one
9 recommendation at every single breakout table
10 was to allow LAP, swordfish and tuna and shark
11 permits to be reinstated for whatever reason
12 people lost them.

13 And I recognize there's plenty of
14 stupid people out there, but we need boats on
15 the water. And these are people that were
16 originally issued permits in 1999 with the FMP
17 and for whatever reason have lost them through
18 attrition. They didn't renew them.

19 At one point, swordfish, you had to
20 renew them every year. Then they changed it
21 to every other year, and people got confused.

22 You know, fishermen, they have a lot more to

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1 think about than permits coming in the mail.
2 There's weather and such.

3 So is this the extent of your
4 revision that's supposed to deal with the
5 entire issue, just issuing new, allowing?
6 Because, frankly, the tuna longline permit,
7 and I was pretty much watching this '99 rule
8 pretty well; I'm certain of that, and it
9 seemed to me that it was like slight of hand
10 because I didn't even know that you were
11 putting in a limited access tuna when you
12 switched it from an incidental permit to a
13 tuna longline permit.

14 That's where you snagged up the
15 trawlers. They got caught up in that because
16 you changed the name. It went from an
17 incidental tuna permit to a tuna longline
18 permit and I didn't even realize it was
19 limited access myself, but we were in the
20 middle of doing it.

21 But do you have plans to reinstate
22 LAPs permits or perhaps open permitting?

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1 UNIDENTIFIED FEMALE SPEAKER: Well,
2 you know, I think the following session is
3 going to talk a bit about some of the other
4 options. And you're right, a lot of these
5 things have come up before.

6 What this rule is trying to do is
7 fix what we recognize as an immediate problem.

8 And a lot of the other suggestions that came
9 up in the last AP permitting would take more
10 work, more analyses, bigger picture kind of
11 stuff. And so we'll have that session right
12 after this one.

13 In terms of the original change,
14 actually, the inclusion of the tuna longline
15 in the limited access program was an industry
16 request to ensure that tuna were not bycatch
17 and we were not having the permitting and
18 reporting for all of the species that would
19 likely be caught on longline.

20 Now, the name change, you know, I
21 could see some folks getting caught up by
22 that. It was an intent to be more specific

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1 about what the primary gear was. Incidental
2 was confusing to a lot of folks and what that
3 meant, and so is an attempt to be a little
4 more descriptive. But, yes, we would also
5 have captured some of the non-longline folks.

6 But, minimally, that's a small group.

7 MS. BEIDEMAN: Thanks. I do recall
8 that, actually, that we requested that the
9 three permits be, because we didn't want
10 people out there with one permit throwing away
11 tunas, and with two permits throwing away
12 swordfish. It's wasteful and that's kind of
13 what you got.

14 But, in the name change, that
15 happened during that rule and they were not
16 limited. You could still get an incidental
17 permit. They were not limited and that's the
18 difference that you did there. You may have
19 changed the name, but you also made it a
20 limited permit and that was never the case
21 when it was incidental.

22 So if I can speak to other permit

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1 issues at another point, I will do that. So
2 I'm going to stop now, but I'm relieved to
3 hear that this isn't where you're going to end
4 because we certainly want much more than it
5 states.

6 MR. MONTELLA: Vince Montella.
7 Reissuing these 40 permits, does that create
8 the balance that you're looking for? Or will
9 more tuna longline permits have to be issued
10 for other shark and sword incidentals that are
11 out there? In other words, do those 40
12 permits create complete trifectas?

13 UNIDENTIFIED MALE SPEAKER: The way
14 the rule, the preferred alternatives
15 articulated is with that 40 is essentially a
16 ballpark of the universe there. That the
17 ratio of those swordfish permits, whether they
18 be directed or incidental, would meet the same
19 number of Atlantic tuna permits in circulation
20 to complete that package to enable vessels to
21 participate in the fishery.

22 MR. MONTELLA: All right. And I

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1 understand the ultimate goal is to get more
2 boats on the water. And this might make some
3 sense if there wasn't inactive tuna longline
4 permits out there now.

5 How many tripacs are out there now
6 that are inactive that are reporting no fish
7 every month? And it goes back to the use it
8 or lose it. Why wouldn't we just say you have
9 12 months to use your longline permit or else
10 it gets put back into the system and then
11 reissued? Why are we, like Ron said,
12 rewarding people for their lack when, I mean,
13 Brad, you have the numbers, how many tuna
14 permits do you have out there and how many are
15 actually reporting fish?

16 UNIDENTIFIED MALE SPEAKER: I don't
17 have the numbers off the top of my head. But
18 as far as numbers of vessels that have all
19 three permits in conjunction, 245, 250 I think
20 is kind of where the universe is at. And so
21 another additional 40 vessels that this rule
22 would address is a considerable jump in

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1 relative to the fleet size.

2 UNIDENTIFIED MALE: [Inaudible.]

3 UNIDENTIFIED MALE: [Inaudible.]

4 UNIDENTIFIED MALE SPEAKER: I don't
5 have the information to confirm that.

6 UNIDENTIFIED MALE: [Inaudible.]

7 UNIDENTIFIED MALE SPEAKER: And,
8 Vinny, just as far as data goes, where up in
9 our Gloucester shop, we see where incidental
10 bluefin are caught because that's our primary
11 focus in our shop is tallying bluefin tuna
12 quota. So for those vessels that, say, may be
13 buoy fishing that are hitting the yellow fin
14 or bigeye, if they're not encountering
15 bluefin, I don't have direct, immediate access
16 to confirm how many of those permits are
17 actively being used.

18 MR. MONTELLA: All right. It's
19 like I said, I just think it's made -- it's
20 like Dewey said, it's for monetary reasons
21 here. You know, some of those may get back on
22 the water. I think there's enough permits out

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1 there now.

2 And doesn't this open the door for
3 700-some-odd swordfish permits that were
4 issued back in the '80s to be renewed because,
5 oh, they didn't know they had to renew them?
6 Or I mean how many people have -- well, I
7 guess it would be tuna incidental, shark
8 incidental looking for a swordfish permit,
9 directed species. Doesn't this open the door
10 for reissuing other permits to create
11 trifectas?

12 UNIDENTIFIED MALE SPEAKER: No, at
13 least not in this particular rulemaking.

14 UNIDENTIFIED MALE: [Inaudible.]

15 UNIDENTIFIED MALE SPEAKER: In
16 principle I guess we could look at that, and
17 as Margo had mentioned the presentation I'll
18 be giving after this one here where we're
19 looking at permit reform both in what we've
20 heard from the advisory panel and previous
21 meetings, and discussing, prioritizing those
22 and looking at the scope of what sort of

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1 rulemaking would need to be undertaken to
2 actually implement some of those
3 recommendations to deal with the issues we've
4 experienced. And some of them will be much
5 longer term efforts.

6 With reauthorization of the
7 Magnuson Act, there's a number of different
8 tools that the councils are using. Some of
9 them apply to our highly migratory fisheries,
10 some of them won't. But that is something we
11 could look at.

12 But as we're in this kind of new
13 environment of we're so accustomed to trying
14 to limit effort, limit catch to rebuild stock,
15 well, quite frankly, it's somewhat of a
16 different environment when all of a sudden,
17 well, we have one that's rebuild and how do we
18 prosecute that fishery without creating the
19 same errors that we've made in the past.

20 So opening up the flood gates and
21 letting every vessel back in, probably not
22 good for the resource or the industry. So

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1 that's something that we would need to (a)
2 look at, but also what all the pros and cons
3 associated with it.

4 MR. MONTELLA: But when you sit
5 down and you look at the number of permits
6 that are currently issued and the amount of
7 vessels that are reporting fish, actual
8 landings, you have this big number here and
9 you have this little number here, and those
10 people are just holding onto them for somebody
11 like myself was shopping for a permit recently
12 and had to pay a lot of money for it. I mean
13 now you're telling me I had 40 more to chose
14 from, you know. Maybe I should have
15 negotiated better.

16 It just doesn't seem that --
17 there's enough permits out there at the
18 moment. You know, use it or lose it. There's
19 boats in Hawaii that have had them for 15
20 years and haven't reported a fish. You know
21 what, get them back into the system, give them
22 back to you guys. Probably those guys didn't

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1 pay for them to begin with, and if they did,
2 they lose out. You know what, nobody told you
3 to buy it. You know what, get it back into
4 the system, create a pool system to people who
5 actually want to put some financial investment
6 into buying boats.

7 And another things is if these 40
8 boats here, I mean to renew it and to allow
9 them to turn around and all of a sudden send
10 in an application for transfer to your office
11 a week later seems ridiculous. You know, show
12 some financial investment, substantial
13 investment. You want to build a boat, fine;
14 we'll renew your permit. If you're not going
15 to build a boat, why should we let you make
16 40,000 bucks off a permit.

17 UNIDENTIFIED MALE SPEAKER: Your
18 pooling comment is very good and I think
19 that's more appropriate for the long term.
20 Right now the regulations, they're not
21 constructed to handle or perform that
22 function. And so where this particular

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1 rulemaking is very focused, I think that
2 recommendation is more in something that we'll
3 be looking for in the next go round is how do
4 we in the longer term address some of this
5 latent effort.

6 And we fully understand that when
7 you make anything limited access, that there's
8 an inherent value that comes along with that.

9 And as the swordfish fisheries become rebuilt
10 and these modified regulations that attest to
11 upgrade restrictions or retention limits, that
12 there's a value associated with that.

13 There's still some of the
14 overarching issues where we do have a
15 swordfish quota that we're looking to hold
16 onto, and how do we, as an Agency, and you
17 all, as an industry, develop a way to
18 prosecute that sustainably.

19 UNIDENTIFIED MALE SPEAKER: If I
20 could just follow up on some of the numbers.
21 As Brad said, there are about 245 triple
22 permit combos. And there are about 300

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1 combined swordfish directed and incidental
2 permits. So conceivably there could be
3 potentially about 300 triple combos, 300
4 longline vessels.

5 UNIDENTIFIED MALE: [Inaudible.]

6 UNIDENTIFIED MALE SPEAKER: I don't
7 have that information.

8 UNIDENTIFIED MALE: [Inaudible.]

9 UNIDENTIFIED MALE SPEAKER: I don't
10 know, don't know.

11 MR. AUGUSTINE: Pat Augustine. A
12 lot of questions came up as a result of Ron's
13 comment, and then it followed on with Terri,
14 and so on, saying, well, maybe we need the 40,
15 maybe we don't need the 40. It just seems to
16 me that, I haven't read anywhere, where you
17 sorted out a specific time frame, such as date
18 certain. From pick a number from 2002 to
19 2007, of those 40 vessels, how many actually
20 fish, and determine I say 2007, let's give it
21 some leniency, say haven't fished in that five
22 period of time, in my mind all of those

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1 vessels that haven't fished in that time are
2 out. But if you have someone who, like you
3 say, screwed up and missed the date in 2007 to
4 reapply, that's a whole different ball game.

5 Limited entry in my mind, and this
6 is another unlimited entry if you will, it
7 does open Pandora's box and I believe it does
8 set precedent. So it would seem to me that if
9 you all haven't considered a time frame as to
10 whether they were in it or out of it to
11 determine which of the 40 should move forward
12 with an opportunity to fish, I think we should
13 do that to start with.

14 If it goes all the way back to '99,
15 then I agree with them, out, wouldn't support
16 this on a bet. Thank you.

17 UNIDENTIFIED MALE [Mr. Ruais]:
18 Thank you. Took a long time in seeing some of
19 this. I think I've had several attacks while
20 listening to most of this conversation.

21 I think some of you have this
22 really a bit backwards. To think that you're

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1 rewarding these privileged people, these are
2 people who had the privilege of being put out
3 of the fishery to rebuild the fishery. That's
4 why they don't use the permits any more
5 because it became uneconomic to do so and they
6 probably lost a lot more of the \$40,000 that
7 that permit might be worth if they don't have
8 intentions on getting back into the fisheries.

9 The squid boats alone, we know
10 there are several of them that have this
11 problem. When the restrictive incidental
12 limits went down so long, it just didn't even
13 make any sense to get the permit any more.
14 And now the incidental trip limit is up around
15 15 I believe for the northern squid boats and
16 that could be a significant bump in catch.
17 But, more importantly, it's a reduction in
18 discard. That's one of the reasons why you're
19 trying to do this again.

20 We're supposedly an ecosystem
21 friendly fishery. We looked to eliminate
22 discard. Some of those permits will be used

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1 for that.

2 And I have several specific
3 questions after a while. But you don't want
4 to be one of these privileged few. They're
5 not that.

6 And there is no trifecta. I'm a
7 gambler. There's no good trifecta in the
8 swordfish fishery right now. Even the
9 southern Florida fishery, I wouldn't take that
10 for too much longer on how to tell how much of
11 a good bet that'll be.

12 The questions I had were, why were
13 the ATLPS not provided with novice status?
14 Was that just a computer operational thing?

15 UNIDENTIFIED MALE SPEAKER: There's
16 a quick answer of yes, Rich, in that where the
17 southeast regional office as developed their
18 own business practices on how they issued
19 their entire suite of permits, whether it be
20 VHMS permits, snapper, grouper permits, what
21 have you. And they have the capability of
22 disconnecting these limited access permits

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1 from vessels entirely.

2 That's not the case when the
3 Atlantic tunas in which it's been modified so
4 the HMS permit system was developed where one
5 of the key business rules in the web-based
6 system, which primarily issues open access
7 permits, 35-plus a year, 35,000-plus a year,
8 is that the permit is directly linked to the
9 vessel's coast guard documentation or state
10 registration number.

11 And so the system, itself, doesn't
12 have that capability to de-link the permit
13 from the vessel. So when an owner actually
14 sells the vessel and wishes to retain the
15 permit, it's like a throwing a wrench into the
16 gear in how the system is currently
17 configured.

18 And it, also, when the permit
19 holder of some issues as well, when you could
20 potentially have a permit on the books for a
21 vessel you no longer own, I know that's caused
22 some difficulties over the past couple of

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1 years as well.

2 UNIDENTIFIED MALE: Was there a
3 charge for the renewal of the swordfish and
4 shark permits over time?

5 UNIDENTIFIED MALE SPEAKER: Yes. I
6 forget how the southeast has their scale. But
7 I think it's like \$100 or \$75 for the first
8 fishery, and then like \$25 --

9 UNIDENTIFIED MALE: [Inaudible.]

10 UNIDENTIFIED MALE SPEAKER: Yes,
11 something for each additional fishery tacked
12 onto the permit.

13 UNIDENTIFIED MALE: I'd argue that
14 that alone is showing an intent that you were
15 like -- you had some desire to participate in
16 the fishery or you were continuing to
17 participate in some kind of pelagic fishery
18 along the way.

19 I had other questions, but I've
20 lost them. I someone is going to speak, I
21 might be able.

22 UNIDENTIFIED MALE: [Inaudible.]

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1 UNIDENTIFIED MALE: Okay. Thank
2 you.

3 MR. McBRIDE: Yes, Joe McBride.
4 Just very briefly. What's the cliché? I have
5 no dog in this fight. But I'm listening here
6 to two things: first, from nowhere listening
7 to the audience and all the opposition to this
8 proposal, with the exception of Rich, do I see
9 any proponents of this inclusion of those 40
10 boats that however lost their permits and the
11 young lady [inaudible].

12 The rest I see in opposition. So
13 that sort of says to me as an outsider that it
14 becomes almost more political. If this HMSAP
15 panel, your representatives pretty well up and
16 down the coast and the Gulf, has more
17 opposition for logic -- how does it come into
18 this proposal without one or two people being
19 for it, certainly up and down the coast I saw
20 no speakers other than Rich and the young
21 lady. That's just an observation.

22 The question I have, if you have 40

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1 boats that need to get back into the tuna
2 fishery to go fishing for the three species
3 longlining, why don't you just mandate they
4 have to have a boat to be renew status? I
5 mean maybe I'm being over simplistic here and
6 that would at least morally invalidate what
7 Vince and the other gentleman were complaining
8 that it's in there as a speculation for
9 somebody in one geographic area to be looking
10 to see the permits they have to another
11 geographic area.

12 I don't think it's a very, very
13 complicated thing. If you want to get back
14 into fishing, what's the name of your boat and
15 do you operate or are you just holding onto
16 the permit? I don't know if I'm over
17 simplistic and you guys know your own business
18 better than I do.

19 UNIDENTIFIED FEMALE SPEAKER: So
20 that was something that we actually considered
21 initially when the limited access system was
22 implemented was that kind of requirement and

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1 specifically decided at that time not to
2 require, to allow the vessels to be de-linked
3 from the permits so that people could make
4 changes, upgrade or not, or hang onto a permit
5 without having the boat and it gave them more
6 flexibility. So in terms of that as a
7 suggestion for a way forward, I would say that
8 this is something we should talk about this
9 afternoon.

10 MR. McBRIDE: But if it were moral
11 involved I certainly would. You know there's
12 no mandate to do [inaudible] like that that I
13 have. But, anyhow, it would make more sense
14 if you're going to allow 40 boats in, that
15 those 40 boat owners, however if you want to
16 do it, have a boat to go fishing to increase
17 the landings on swordfish and whatever other
18 fisheries you want to get them involved in.
19 To me it doesn't seem complicated and it would
20 negate the thesis that they were only going
21 back into [inaudible] southern fishermen who
22 need the permit, you know, where the fish are

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1 and so forth and so on. But that's out of the
2 mouth of babes because I'm not a
3 swordfisherman [inaudible] just commercial.

4 UNIDENTIFIED FEMALE SPEAKER: I
5 think there are some folks who do have
6 vessels, some of the squid trawlers, and it's
7 not like this is 40 brand new people coming
8 in. These are people who have qualified for
9 their swordfish and shark limited access
10 permits and haven't maintained them. And for
11 a variety of reasons have lost or have somehow
12 don't now have the tuna longline.

13 UNIDENTIFIED MALE: [Inaudible.]

14 UNIDENTIFIED FEMALE SPEAKER: I
15 don't know the exact number. There may be
16 some in the no-vess ID status for all of them.
17 But according to the rules that we
18 established in '99, that's okay. That's how
19 we designed the system.

20 UNIDENTIFIED FEMALE SPEAKER: Just
21 on that issue, we sent letters to all permit
22 holders indicating what the new vessels

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1 upgrade restrictions were. We received a
2 bunch of correspondence, as well as phone
3 calls, on a variety of the issues involved
4 with whether our documentation was right, what
5 the circumstances of their situation were. We
6 have heard support from the panel members on
7 this issue and we have not heard from a lot of
8 the panel members at all. So, you know, the
9 advisory panel, I really appreciate everyone
10 that's contributed, but there are people
11 outside the panel that have weighed in, that
12 have issues both for and against. So we
13 listened to all of it and we have had some
14 support on the panel.

15 UNIDENTIFIED FEMALE: Thank you.
16 Here's a member of the fishing community that
17 has all three permits, and I have to tell you
18 there are a number of reasons, as Margo has
19 said, for people to inadvertently or for
20 whatever reason mess up and not get their
21 permit. It happened to me with ground fish in
22 New England. I don't have a ground fish

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1 permit any more. I'd love to have one, but,
2 anyway.

3 Those 40 vessels, none of us know
4 the reason that they don't have that permit.
5 Someone was talking about the fleet in Hawaii
6 that has religiously kept their Atlantic three
7 permits viable. There's no reason for those
8 to go back into the pool. I'd love to have
9 them come back here and fish. But at the
10 moment, whatever reason, not feasible.

11 I would really like to see these 40
12 permits go back to the swordfish and shark
13 permit holders so that they could get into the
14 system, so that they could be landing product.

15 Chances are they won't all do that. There's
16 a lot of reasons. Some people have illness.
17 Some people have -- our boat's been tied up
18 for six months for pete's sakes just with
19 maintenance. We're not contributing to any
20 poundage, but that's a different issue.

21 Get those permits out so that they
22 can be used, sold, put on a boat, whatever.

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1 That's really important.

2 And don't de-link them -- I mean
3 don't keep them linked to the boat because
4 boats sink. Other things happen to them.
5 They're taken out of use for a year or so.
6 You might have to sell it for whatever reason.

7 You need to be able to keep those permits
8 separate from the vessel so that they can be
9 either sold or used on a different boat.

10 MR. RUAIS: Yes. Rich Ruais. Real
11 quick. I think it should be clear that those
12 40 permits, it may be true that some of them
13 would be destined for the South Florida
14 fishery. But it's also clear that on a later
15 discussion item we're going to be talking
16 about the possibility of leasing and
17 chartering. So some of those vessels could
18 actually be used in fisheries on the high seas
19 at some point.

20 You know my comment is that
21 listening sometimes to the perspective of the
22 recreational side and the South Florida side

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1 right now, we think we have -- you can come
2 away with the impression that, well, we think
3 we have almost what we need now; we have an
4 exclusive area to ourselves; we've got a great
5 recreational fishery; we've got a small
6 commercial component in there right now; we
7 may expand that a little bit; we've got a few
8 more folks we want to bring in; and then we
9 want to make sure we close it off; and that's
10 the end of our -- you know, if there's more
11 management issues, bigger management issues
12 like the U.S. quota is going to start
13 shrinking, well, that's somebody else's; we've
14 got our little dream world down here.

15 And management's a little bit more
16 complex and we're going to be in this
17 together, because when the U.S. quota goes
18 down, don't think that everyone else is just
19 going to collapse and say, okay, just take it
20 out of the remaining commercial side. They're
21 under the incidental catch category. There's
22 going to be quota reductions coming because

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1 we're being forced to give 50 or 60 percent of
2 the United States quota away because we don't
3 have enough permits out there.

4 That pain is going to be shared by
5 all users, and that, righteously, is how the
6 Magnuson Act is set up. It's proportional
7 reductions. It's not we're with some special
8 class that gets to set up the perfect little
9 fishery and you keep issues away from us.

10 UNIDENTIFIED MALE SPEAKER: Thank
11 you for that very good discussion and the good
12 comments there regarding that very specific
13 item in regards to permit reform. So I guess
14 a good segue into this presentation.

15 Unfortunately, I wasn't able to
16 attend the October meeting, so I've gone
17 through the notes, et cetera, to try to get
18 some of the feedback we've heard from you all.

19 And we've actually engaged in some
20 discussions internal to the division as far as
21 looking at permit reform in all its glory, and
22 I use glory loosely.

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1 Because of the implications that
2 when you all of a sudden pick apart what
3 permit reform can actually mean, whether
4 you're looking at short term fixes or actually
5 looking at long term restructuring of the
6 fishery and how the permit, itself, well, it's
7 not just a piece of paper that gets stuffed in
8 an envelope and thrown on the boat. It
9 actually can be the keystone of how the entire
10 fishery is structured and how we desire that
11 to look as we start to encounter some of these
12 new issues like rebuilt fisheries, or
13 addressing limited access issues where there's
14 inherent value put on the permit.

15 And so what I'll be presenting
16 today is a very brief background history of
17 how we got to this point, going back to the
18 1999 FMP. There should be a handout there
19 that should provide a little bit more detail
20 listed out in chronological order.

21 And then reflecting back on where
22 we're at currently, some of the issues we've

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1 just hit on in this previous discussion. Kind
2 of what we've heard back from the advisory
3 panel of issues you'd like to see the HMS
4 management division tackle. And then I think
5 it's a breakout session after lunch where it's
6 going to be looking really to dig into some of
7 those issues in (a) prioritizing, trying to
8 figure out what level of scope some of those
9 requests mean to the division.

10 You know, is this a long term
11 project that has multiple years associated
12 with it? Is it something that is more
13 contained in scope that's something we could
14 add onto rulemakings, et cetera?

15 And then actually use this meeting
16 here more or less as a launching or stepping
17 stone if you will through the Fall AP meeting
18 of '08 here to look at some of these more in
19 depth longer term reform issues that not only
20 we're experiencing here in HMS fisheries, but
21 in some of the fisheries through the Magnuson
22 Reauthorization and it still meet our needs.

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1 So, again, just to recap, the brief
2 history, I'll run through that quickly. We'll
3 touch on the current landscape of how some of
4 our permitting issues are playing out. The
5 short term objectives are really where we'd
6 like folks to focus on in the breakout session
7 after lunch, and we'll get into that in a
8 little bit more depth. And then kind of look
9 at some of the long term objectives of the
10 Fall AP and what resources we have as an
11 agency and what resources you all have as
12 advisory panel members in structuring some of
13 those discussions.

14 I know some of the councils have
15 gone through training whether it be in regards
16 to ACLs or LAPs or sectors, and to see if any
17 of those have any applicability to the
18 fisheries as we manage them into the future.

19 So prior to the '99 FMP, open
20 access. Good times for all. You get permits.
21 You know, they were pretty straightforward.
22 But, obviously, when you have open access

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1 fisheries, outside of the seine, purse seine
2 fishery, there are problems that arise with
3 that.

4 Our vessel permits were species
5 specific in nature. They weren't necessarily
6 geared toward what gears were being used
7 except for the bluefin tuna permit which had a
8 number of subset of categories. And the
9 dealer permits were also species specific.
10 And we didn't have necessarily requirements
11 that you need to hold the three permits
12 simultaneously, [inaudible] a trifecta, and
13 the exempted fishing permits for different
14 activities. I guess letters of authorization
15 were used back then as well.

16 So why did limited access come
17 about in the first place? Well, essentially,
18 we were looking at the shark fisheries and
19 swordfish fisheries being overfished,
20 overfishing occurring and trying to
21 rationalize the harvesting capacity to match
22 the quota levels we were at. And so this

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1 eventually equated to the three permits to
2 prosecute the longline fishery where the shark
3 permits could be held by themselves for the
4 bottom longlines, and also the creation of the
5 incidental or directed subcategories of those
6 permits, as well as the hand gear permits.

7 We had established a number of
8 different qualifying criteria. Pat, to your
9 point, you know, we established time periods,
10 then I think your point setting up income
11 qualifications, or verifying that folks had
12 landed fish in a given time period.

13 But, sure enough, not everybody
14 wanted to fit into the boxes Uncle Sam had
15 created. Not everyone was directed shark
16 fishermen or directed swordfish fishermen, as
17 well as longliners, and that kind of played
18 out very similar to our previous discussion
19 when you really started crunching the numbers
20 and issuing permits that not everyone had kind
21 of fit into those molds.

22 There was obviously some confusion

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1 with any changes, and we're experiencing that
2 still. As these regulation changes come into
3 play, and for a number of years after that '99
4 FMP, we had issued exempted fishing permits to
5 help accommodate some of those unique business
6 characteristics. But over time the interest
7 waned both from the industry and the
8 complexity to manage that from the Agency's
9 perspective grew and I think it was about two
10 years that we stopped issuing those EFPs and
11 kind of made folks make the decision.

12 So once the [inaudible] FMP went
13 into place? Well, we've now got a
14 recreational permit that not only applies to
15 tunas, but for our highly migratory species.
16 The same goes with the charter head boat,
17 we've revamped our exempted permit
18 considerably where now we have permits that
19 are issued to aquariums for display. We have
20 chartering permits, research permits, et
21 cetera.

22 We have through the efforts of

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1 ICA, we have an international trade permit.
2 No longer are these domestic permits good
3 enough to either import or export product.
4 The data collection wasn't quite adequate. So
5 we had this new international trade permit
6 that's in effect for a number of the HMS
7 species.

8 We've had some gears added. The
9 buoy gear is probably the one that's most
10 prevalent here because of its applications in
11 swordfish fishery. There have been others.
12 The recreational spearfish, spear guns have
13 been added for Atlantic tunas and I know that
14 there's some rulemaking that will be discussed
15 tomorrow. They'll be looking at some
16 additional gears.

17 Through that swordfish
18 revitalization rule, we've looked at retention
19 limits. We've looked at whether or not to
20 break away from some of the other regions.
21 Limitations on vessel upgrades both for safety
22 and harvesting capacity. And we just touched

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1 base on some of that longline rule and we'll
2 be discussing a greenstick rule in a little
3 bit more detail tomorrow.

4 So we've touched on this to some
5 degree already, but pretty much need three
6 permits, the shark, swordfish, and tuna, to
7 prosecute the longline fishery, the pelagic
8 longline fishery.

9 We have IBQs in the tuna purse
10 seine quota and how that fishery is managed.
11 The tuna permit, at least the commercial
12 permits, are still primarily managed or broken
13 out into gear types: the harpoon; the general
14 category which is primarily rod and reel,
15 although there is some flexibility there, et
16 cetera. We need to have those additional
17 permits. As I mentioned, the EFPs have been
18 broken out, refined, and specified for
19 specific activities. And we still have the
20 dealer permits stemming around the domestic
21 species that are being acquired from vessels.

22 To touch back on kind of, well, is

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1 this permit just a piece of paper that I'm
2 paying the 25 bucks for so when I get boarded
3 by the boys in the blue uniforms they can show
4 that I'm legal? Yes, that serves one purpose.

5 But when you really start to look at what
6 that one piece of paper does, it affects just
7 about everything you can do on the water: the
8 species you can catch; where you can catch
9 them; what sort of gear you need on board; do
10 you need a VMS, do you not; what's the size of
11 the vessel that you can have, what you can
12 upgrade to.

13 You know, all these different
14 aspects so when we really start to engage in
15 what permit reform may need, it's tendrils run
16 deep and pretty much touches every corner of
17 our regulations and how that impacts you all,
18 whether you be a recreational fisherman, a
19 charter fisherman, or a commercial fisherman.

20 But currently we kind of have three
21 frames of how these permits are issued.
22 They're either open access, limited access, or

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1 we have the IFQ or IVQs currently right now.
2 And they all have pros and cons that go along
3 with them, and their own applications based
4 upon what sector of the fishery they're being
5 applied to.

6 And with that, well, there's issues
7 that come along with these. And this is I
8 think where in the breakout group we'll kind
9 of really want to focus on some of these
10 issues, and the comments we've heard from you
11 all is how to tackle some of these issues and
12 how they stack and rack up against one another
13 of where the Agency really needs to be
14 focusing in the short term as the level of
15 importance of these issues start to compete
16 with one another and compare to one another.

17 So some of them we've touched on.
18 How the permits are just issued. The
19 operational logistics of how HMS is not a
20 region. You don't necessarily have our own
21 infrastructure at our disposal and where a lot
22 of that conducts as a partnership and what are

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1 some of the limitations there and the business
2 rules, how they were developed over time.

3 Some of the pitfalls of having
4 sunset provisions and how do you manage these
5 permits to prosecute rebuilt fisheries in a
6 sustainable manner [inaudible] making errors
7 that may have occurred in years past to get us
8 in certain predicaments. And the ability of
9 how permits intertwine, whether or not you
10 have limited access permits; charter head boat
11 permits and what sort of bag limits apply,
12 what sort of size restrictions apply; when can
13 you sell, when can you not; do you have four
14 people on board, do you have three; who's the
15 paying passenger.

16 Just the complexity when you start
17 to layer these rules that have come on year
18 after year. I mean it's almost like
19 [inaudible] and sediment. It builds up and
20 builds up and the complexity is there. Is
21 there a way to do business more streamlined
22 and better? Can we strip some of the layers

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1 away to benefit not only the Agency, but the
2 industry, the folks that need to abide by
3 these regulations for their livelihood?

4 So some of the issues, I think
5 there'll be a presentation I believe tomorrow
6 that will be touching on some of the issues
7 that have come up on how to tackle the
8 Caribbean and what we're experiencing there,
9 or not experiencing there. Levels of
10 confusions as these rules change, you know,
11 what permits do I need to do activities at?
12 And we just touched on that with the tuna
13 longline permit.

14 And, you know, how do we manage
15 when these stocks do become rebuilt? You
16 know, what tools do we then have at our
17 disposal? The Agency right now, for the most
18 part, is focused on the getting to rebuilt.
19 Okay, we're here. Wa-hoo! Pat ourselves on
20 the back. Pat all yourselves on the back.
21 Now what? And how do we do that sustainably?

22 And then some of the regulations we

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1 have in place. It's not all permits and we do
2 have these tools that we've used at our
3 disposal whether it be gear modification,
4 bycatch reduction measures, protect the
5 resources, a huge issue that we deal with and
6 influences how we conduct ourselves both on
7 the management side and on the industry side.

8 So those are going to be some
9 issues. We'll bring those slides back up
10 after lunch. And a number of the different
11 options and potential solutions that we've
12 heard coming from you all and your constituent
13 base and items that we've come up and pilfered
14 from other fisheries that may work, maybe they
15 won't. But we at least need to explore them
16 to see if they have some applicability in
17 tackling the issues that we face year in and
18 year out. And some of these issues are
19 relatively new, but some of them are rather
20 longstanding.

21 And so I think this, again, is
22 where we're going to want to focus our

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1 attention after lunch. It'll provide a nice
2 little heartburn for everybody.

3 Some of the options, you know, and
4 I'm not reading the slides intentionally. You
5 can read them for yourselves, but they kind of
6 run the full gamut of looking at permits;
7 looking at different market measures,
8 potentially, such as it plays into swordfish;
9 and trying to address some of the complexity
10 that's built up over time if it's even
11 feasible and it may not be when you try to
12 strip it down. Well, the next potential may
13 be as complex. So maybe that's just how it
14 needs to be handled.

15 Another key element is how we're
16 going to want to prioritize these issues. I
17 think in Margo's overview presentation
18 yesterday, it's pretty apparent that we're not
19 sitting on our hands in any of the regions or
20 here in headquarters. We have a full plate.
21 And where we're in fifth year, pretty much
22 consistently at this stage, when you don't

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1 have a sixth year, that we will need to
2 prioritize these issues on (a) the need for
3 the fishery, both the industry and the
4 resources, and what resources we have as a
5 division to allocate to tackling some of
6 these. So we're looking at full blown FMP
7 amendments that may have two-year time frames
8 with them. Or are they something more of
9 framework action that we could do with an
10 environmental effect. That would be more of a
11 fast track item.

12 But we'll need each of the tables
13 during that breakout group to probably rank
14 some of these. You know, what are the top
15 three issues that you all feel that the Agency
16 needs to address now? And can those issues be
17 addressed now? Maybe they can't. Maybe the
18 time frame is a little too long. But how can
19 some of those be grouped, or do they need to
20 be separated out and handled individually kind
21 of like this tuna longline rule, or to get at
22 some of the comprehensive permit reform that

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1 you mentioned there, Terri?

2 So I know that was kind of quick in
3 running through it, hit a number of different
4 items, you know, planning to react to there,
5 but I think it will be more appropriate in
6 that breakout group to discuss more the finite
7 details in some of the faster track, shorter
8 scale issues that the Agency and the division
9 can tackle. But also wanted to put folks on
10 notice that as we gear up for the Fall
11 meeting, that we'll be wanting to look at some
12 of these larger issues as we look at permit
13 reform and bring everyone's expertise to the
14 table.

15 You know, what are they
16 experiencing in their different fisheries?
17 Are there better ways of doing business, that
18 instead of doing say a Band-aid technique and,
19 okay, yes, we did this rulemaking, but didn't
20 quite meet the needs [inaudible], but a Band-
21 aid on it. Okay. Well, there's only so many
22 layers of Band-aids that you can apply to

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1 something before those Band-aids become
2 ineffective, and I think that's something that
3 in parallel we'll want to tackle these shorter
4 term issues, but also try to look at the
5 bigger picture as we move forward to see if
6 there are better ways of doing business.
7 Thank you.

8 UNIDENTIFIED MALE SPEAKER: We are
9 scheduled for lunch. We have time set up for
10 after lunch to work on this problem in cell
11 groups and then for report out for larger
12 group discussion. It's up to you if you want
13 to take a couple of minutes right now and ask
14 any specific questions. I don't mean issues
15 or observations or recommendations now. I
16 mean any specific questions of Brad about the
17 presentation. Go ahead, Rusty.

18 MR. HUDSON: Rusty Hutson, Directed
19 Shark. I only have a brief question.

20 With regards to the compliance
21 guide, is that still sent to the permit
22 holders when they renew, or has that been

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1 discontinued?

2 UNIDENTIFIED MALE SPEAKER: It does
3 not go out to each permit holder. How we've
4 disseminated that is we have a number of bound
5 copies upon request. We've also I believe on
6 both of the websites that we maintain, the HMS
7 homepage, had links to that compliance guide.

8 As well as we've made it available to the
9 permit website, hmspermits.gov, that it's
10 available there I think in a Q&A format where
11 folks query where they don't have to go
12 through the entire document, or they can print
13 it out from there themselves.

14 MR. HUDSON: I guess in short my
15 concern was that by sending it to the permit
16 owners you wound up getting to them with the
17 latest regs, particularly on the inside cover
18 with the What's New section. By depending on
19 them to be computer literate and/or other
20 types of situations, I just think that you're
21 missing an opportunity to communicate with
22 them.

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1 UNIDENTIFIED MALE SPEAKER:

2 Excellent point, Rusty. It's some of the
3 balancing act when you have 35,000-plus permit
4 holders and sometimes budget can be an issue
5 when you're just sending out a one-page
6 letter, some of the cost associated with that
7 versus when you start to put in all the
8 information that you want folks to be aware
9 of. Obviously, there's a huge benefit to that
10 that you're delivering to them with the
11 permit, with the renewal letter, and
12 accommodating those folks that either aren't
13 accustomed to jumping on the web or like to.
14 But it's that balancing act that we try to
15 hold each year of trying to find what can we
16 economically put into that mailing to get out
17 to the 35,000 versus what do we have to make
18 available to other needs.

19 MR. HUDSON: As a quick
20 observation, part of that 35,000 total is the
21 new HMS reg permit. I'm more concerned about
22 the two sectors we call commercial and for

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1 hire, and those are the folks that I believe
2 benefit the most immediately from knowing all
3 these regs as opposed to the private citizen
4 with the HMS reg. Maybe there is a way for
5 them to -- you know, to make it more
6 economical. I just want to look out for the
7 hundreds of boats and the couple thousand
8 charter boat, head boat guys, and that's
9 really the universe I was thinking about.

10 UNIDENTIFIED MALE SPEAKER: We've
11 been able to do that in years past to some
12 degree, peer outs and mailings and what gets
13 included, and that's something we look at on
14 an annual basis based upon how many coins are
15 in our pocket essentially. Thanks.

16 UNIDENTIFIED MALE: Brad, what was
17 the method of mailing for the Atlantic tuna
18 longline permit? Was it return receipt, or
19 just regular mail? Registered?

20 UNIDENTIFIED MALE SPEAKER: In
21 regards to?

22 UNIDENTIFIED MALE: Renewal.

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1 UNIDENTIFIED MALE SPEAKER: In the
2 renewal, it doesn't go out registered or
3 certified. What we do is we look back at the
4 previous year's list of permit holders across
5 the board, regardless of commercial,
6 recreational, for hire, and we send out a
7 renewal letter that says, okay, the system
8 will be operational from May 1st, and that you
9 can either obtain your application through
10 these different ways, you can go to the
11 website, you can renew via the telephone. So
12 in that renewal letter we inform them of what
13 vehicles they have at their disposal to get
14 that permit renewed by regular mail, by
15 regular mail.

16 (Whereupon, the foregoing matter
17 went to lunch and was off the record at 12:00
18 p.m. and back on the record at 1:30 p.m.)

19 UNIDENTIFIED FEMALE SPEAKER: But
20 what they are, I'll read them to you now.

21 It says, for consideration,
22 considering the issues, problems listed in the

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1 presentation -- can folks sit down, please?
2 We're going to go ahead and get started.

3 Actually, while folks are
4 gathering, we don't have a flip chart for the
5 middle table and so we thought if you wanted
6 to move to another table, the side tables,
7 that that might work well.

8 Okay. Here we go. So I hope you
9 folks have found a table and every table
10 should have a HMS staff person there. If you
11 just remember, what we typically ask is that a
12 AP member serve as the [inaudible] and as the
13 report backs just because this is your input
14 to us.

15 We do have staff available to
16 answer questions and help guide the
17 conservation, but really this is your time.
18 And so what we thought we would pose to you to
19 guide your discussion would be two question
20 considering the issues and problems listed in
21 the morning presentations and any other issues
22 identified either by you or by anybody else.

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1 What are the top two most important issues or
2 problems that you would like addressed? If
3 you've got three, that's fine. If it's only
4 one, that's fine, too. But we're trying to
5 get priority action items. And then for each
6 issue, what do you think some of the solutions
7 and options and steps of actions that would
8 need to be taken?

9 So just some guidance, some things
10 that we're looking for, action items,
11 priorities, things like that. So we'll leave
12 this up and I think we've got about 45 minutes
13 for discussion before we report out back to
14 the group.

15 UNIDENTIFIED MALE SPEAKER: Let me
16 add one more thing to Margo's instructions.
17 There are two slides in the presentation from
18 just before lunch that I believe actually
19 entitled issues, many of which came from works
20 that you did in the last AP meeting and there
21 are some things that didn't come from there
22 also. But you're not restricted to just those

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1 two slides worth of issues to discuss. Those
2 are things that have come up before. They'll
3 look familiar to you. But if you come up with
4 something new that's not on those lists,
5 that's certainly fair game in this
6 conversation. So you're not restricted to
7 picking the best two out of that list of eight
8 or ten. You can come up with a new one if
9 you'd like.

10 (Whereupon, the foregoing matter
11 went off the record for breakout sessions.)

12 UNIDENTIFIED MALE: -- family and
13 wife prevail, though you'll enjoy with that,
14 or you'll get a divorce and you'll get on with
15 your life.

16 (Laughter.)

17 UNIDENTIFIED MALE: The other part
18 is we believe we need to create provisional
19 permits that should be one to two years long.

20 There's no other way we're going to catch
21 this quota no matter what you guys do, no
22 matter how good you are. So we think those

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1 provisional permits would take the pressure
2 off of these 40 people. It takes the value
3 off of these 40 vessels here who can't use
4 these and probably want to sell them who'll
5 probably take \$40 for that permit. We're not
6 going to sell it for 30 or 40,000.

7 And as this progresses, if the
8 provisional permits work and we start catching
9 a legal amount of quota, then it'll be the
10 responsibility of the manager to look at how
11 close we are to getting to that 80 percent or
12 90 percent of the quota, at which time they
13 have the ability of turning into emergency
14 rule and shut the quota down.

15 So we think that may be one of the
16 simplest ways to do it. And at the bottom we
17 said, reporting simplicity, all of that simple
18 as possible, KISS, keep it simple stupid. And
19 I'm stupid and I thank you very much.

20 Any questions from our group here?
21 Anything you guys want to add? Thanks.

22 UNIDENTIFIED FEMALE: -- for permit

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1 standardization. There are all these
2 different ways that we identified that
3 [inaudible]. They're iffy by [inaudible]
4 type. They're iffy by target species, by
5 bycatch and what bycatch you can sell.
6 Whether you're fishing recreational, for hire,
7 commercial, whether or not what type of
8 harvest limits you have. If they're bad
9 limits, [inaudible] quotas, whatever type of
10 harvest [inaudible] you have established to
11 your fishery.

12 So in just starting to discuss it,
13 we were looking at possibly limiting or
14 standardizing all permits to be issued just by
15 gear type or/and what type of fishery, whether
16 it's recreational, for hire, or commercial and
17 quite a few [inaudible].

18 But still within those things, keep
19 the concept of limited access, [inaudible]
20 limited access by gear type, keep incidental
21 concepts like for non-HMS fisheries that might
22 incidentally harvest an HMS species. You can

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1 like say different trawl fishery, incidentally
2 harvesting sharks. You could still make that
3 a shrimp trawl incidental HMS permit or
4 something like that.

5 And so we realize that there are
6 probably some situations that probably
7 wouldn't work, but there's a lot more that it
8 would work than not work. That's what we were
9 coming up with and we [inaudible]. If we had
10 until next week to discuss it, we'd probably
11 been able to figure it out.

12 And also, I mean the third issue we
13 identified, utilize the permitting process to
14 eliminate latent effort in different
15 fisheries. That may very well tie back to
16 standardizing permits. We've got the
17 situation of -- we've got fisheries that we've
18 got a lot of latent permits that aren't
19 selling any landings. What happens if they
20 all got transferred and started showing
21 landings? What would that do to quotas and
22 what would that do to just the management of a

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1 species in general? So that's a real concern
2 with latent efforts. You know, is there a
3 way in standardizing permits that you could
4 maybe -- and quota fisheries [inaudible]
5 amount of quota per permit and that's it. So
6 there might be ways to address latent effort
7 by doing permit standardization also. But we
8 recognize that latent effort in fisheries and
9 latent permits do present a real challenge for
10 management.

11 And in centralizing permit
12 issuance, we think that would go a long way
13 with making things -- keeping it simple. But
14 if you have one office issuing all the
15 permits, then you hopefully have one standard
16 way of issuing permits but you get the
17 information every time when you're trying to
18 get information on the permits that you need.

19 UNIDENTIFIED MALE SPEAKER: Thank
20 you, Lisa. [Inaudible.] Fantastic.

21 UNIDENTIFIED MALE: First a couple
22 of disclaimers. Some of the discussion

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1 points, these are not blue water fishermen's
2 association, particularly when we come to the
3 section talking about chartering vessels and
4 leasing. Those are not established issues.
5 And, also, Chris suggested that when started
6 off giving the instructions that we're not
7 talking about -- we're assuming already that
8 the rulemaking is under way to solve the
9 stocks permits, the LAPs permits, the 40
10 permits, which would have been my number one
11 highest priority for now.

12 But we started off, Rick was very
13 strong on the highest priority has to be to
14 find a way to make sure we save the swordfish
15 quota, which means you have to address the
16 impediments to the high seas fishery. And
17 you'll see, Rick will make his points at the
18 end. We differ over some of the [tape is
19 silent].

20 That's something that needs to be
21 taken out in public hearings to figure out
22 exactly what it should be. And at the same

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1 time we have a concern that we've stated it,
2 you know, while we're doing this, we want the
3 Agency and we will keep an eye on total
4 capacity. We don't want to go back. We don't
5 want to go overboard and create a situation
6 where we're adding more capacity than
7 ultimately the TAC will be able to handle. So
8 we've got to keep that in mind.

9 So we need greater capacity to
10 compete on the world stage while ensuring that
11 the fishery does not get over capsulized. And
12 the first option that needs to do that is we
13 need to upgrade the TRT restriction. I think
14 the restriction now is 30 or 35 percent -- 35,
15 35 percent. So that's a limiting factor.

16 Option two, we were similar to the
17 table over here where we talked about
18 harmonizing the permit renewal. One of the
19 things that seems to be fairly archaic in this
20 process is that the renewals are staggered
21 throughout the year. It seems to make sense
22 in terms of conveniencing permit holders, in

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1 terms of their memory of when their permit is
2 due to give it a standard date for that. So
3 you say something like on January the 1st you
4 need to begin the process of getting your
5 renewal and you have to have your new permit
6 in hand by January 31st. And at the same time
7 that all the permits we agreed with the
8 recommendation here as well that all the HMS
9 permits issued should come from one location
10 so people don't have to struggle to figure out
11 whether they need to talk to Gloucester or St.
12 Petersburg.

13 Option three, domestic leasing of
14 the trifact permits necessary for pelagic
15 longline for tunas. This is one of the higher
16 options that we want to be considered. There
17 are a number of sets of these permits that are
18 out there right now. The owners may not very
19 well, in the near future, be looking to enter
20 the fishery. They're just not ready yet to
21 consider getting back in the fishery, but
22 there is demands for those permits. There are

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1 some. That's whether they were bottom
2 longline vessels or other types of vessels
3 that are ready to go longlining now and just
4 simply don't have the necessary permits.

5 We discussed quite a bit of the
6 details of that, that we believe it needs to
7 be administered by NHMS because of the
8 technical difficulties of trying to develop
9 private arrangements between just different
10 businesses. Things like if once you lease
11 somebody's permit, what if you turn out to be
12 a bad actor? Who does that bad performance
13 reflect on once the lease is over? And then
14 you have the potential for fights over the
15 lease, legal fights. If it were in NHMS'
16 hands, NHMS just simply takes a letter coming
17 in from the existing owner of the permits
18 which directs NHMS for the next 12 months, 16
19 months, whatever it happens to be, maybe it's
20 just on an annualized basis, that the permit
21 for the old sea rover are now going to this
22 boat and that boat is responsible for its

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1 performance and [inaudible]. If it does
2 anything wrong, and at the end of the leasing
3 period, the lease permits go back to the
4 original owner in clean fashion.

5 We draw your attention to in New
6 England, NHMS handles the days at sea leasing
7 program, which is quite complicated among
8 fleet sectors and the number of vessels and
9 the number of species.

10 Option four, charter and permits
11 allowing foreign vessels to [inaudible] its
12 quota. This is an issue I was hinting at is
13 going to be very sensitive one in my own
14 organization. But yet there are clearly -- I
15 know there's support in the recreational
16 community. I would do this [tape is silent.]

17 UNIDENTIFIED MALE: I understand
18 the quota of swordfish as a U.S. asset and I
19 don't want to lose it. I strongly question
20 whether we can quadruple our domestic take
21 from our domestic waters. And the only way
22 that I saw to do this is to go into the high

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1 season. I was asking Rich, why can't we do
2 this, and he said there were very serious
3 permitting things still in the way of allowing
4 us to do it. Whether we should or not, we can
5 still argue, but we should have the option.
6 It doesn't make sense that we can't do that.

7 And as far as your leasing, the
8 only thing that I notice was that table one
9 came up with a one to two year provisional.
10 And maybe these two things are really saying
11 the same thing is that if a current permit
12 holder wanted to voluntarily park it even,
13 just say I will not be using this for two
14 years, that's where you would get the permit
15 to issue your provisional and then we'd find
16 out two years later. But you could tell that
17 person I got two years for you. I can't
18 promise you anything beyond that, but I got
19 two years for you.

20 UNIDENTIFIED MALE: And the main
21 reason why chartering is good is because if we
22 chartered foreign vessels, that vessel would

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1 not be able to fish in U.S. waters, and it
2 would not be able to land in U.S. ports, and
3 it would not be able to fish in EEZ of the
4 chartering country. It basically is relegated
5 to a high seas fishery that then is forced
6 into a transshipment type process. So it
7 clearly is a high seas fishery where you don't
8 see the competition on localized fishing
9 grounds and you don't even see the boat. I
10 think that's the end of what we did.

11 UNIDENTIFIED MALE SPEAKER: Mike?

12 UNIDENTIFIED MALE: Okay. We kind
13 of all had the same thing I think. Everybody
14 wants a simplified permitting office, and I
15 just one, one office, one date, one permit,
16 and we could have something like check boxes
17 for species and/or gear, whatever the need
18 was. There's a lot of frustration among the
19 commercial fishermen of our group, the number
20 of permits. We had a long discussion with
21 lunch and we discovered that maybe somebody in
22 this room is fishing on a species he doesn't

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1 even have a permit for and he's considered to
2 be a good fisherman in our part of the woods.

3 So it's very difficult. And maybe
4 not only HMS, but NHMS wide, there's a lot of
5 permits we have to have in the South Atlantic
6 that it sure would be nice to make sure that
7 we had everything checked off and everything.

8 There's confusion with dates, confusion with
9 which office you need to go to, and things
10 like that, but I think everybody said that
11 one.

12 After quite a lengthy discussion,
13 and most of our time was taken up with this
14 one discussion about, whether you believe in
15 it or not, there's been value put on the
16 permits that we have, the trifecta permits.
17 It requires fishermen, if they want to get in
18 the fishery, to go buy one of the three
19 permits for quite a bit of money. So there's
20 value, and what you're going to do, if you
21 take that value away and just give away
22 permits, you're going to penalize the people

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1 who've gone in the fishery and bought into a
2 fishery. So if we're going to up the number
3 of permits, don't allow those permits to be
4 sold. They never can be sold and that will
5 keep people from coming in and getting the
6 permit and prospecting on that permit.

7 And then one other note we had with
8 that, when they were talking about squid trawl
9 and I couldn't figure out. I said I'm new to
10 this game. Somebody's got to tell me why a
11 squid trawler needs a pelagic longline permit.

12 And maybe one of the things that we could
13 possibly do -- I know there's an answer, but
14 it's kind of screwed up. Because in my eyes,
15 there's no -- a trawl and a longline don't
16 have anything to do one another.

17 But, anyway, maybe what we could do
18 would be up the incidental take to possibly --
19 I think Dewey said it was 15 now, and possibly
20 we could move that to 30 rather than giving
21 these guys new permits, or something like
22 that.

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1 And one other idea that we came up
2 with and it would help us with permits and who
3 was fishing in the fishery is a one to two
4 year FMP review that would look at and we
5 acknowledged that there were the safe reports
6 -- is that correct?

7 UNIDENTIFIED MALE: Yes.

8 UNIDENTIFIED MALE: -- and we
9 didn't think they quite did the job and in
10 that review we would like to see the
11 statistics not only that in containment.

12 There's other reports, the permits,
13 active participants, active permits, dormant
14 permits, issues and stock status for the
15 fisheries.

16 And if you guys have anything else?

17 Did I capture it?

18 UNIDENTIFIED MALE: [Inaudible.]

19 UNIDENTIFIED MALE: All right.

20 Thank you.

21 UNIDENTIFIED MALE SPEAKER: Any
22 questions?

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1 UNIDENTIFIED MALE: Was that a
2 serious question about the [inaudible]?

3 UNIDENTIFIED MALE: Yes.

4 UNIDENTIFIED MALE: Well, anytime
5 you have a porridge fish and you've got
6 pelagic [inaudible], whether it's squid
7 trawling or trawling for herring, there are
8 swordfish and bluefin tuna feeding in the
9 squid and in the herring and so they're caught
10 incidentally by the squid vessels and the
11 herring vessels and you have two choices,
12 discard or you have an incidental catch.

13 UNIDENTIFIED MALE: That was not
14 -- I understand that swordfish eat squid and
15 herring and all kinds of things. However, I
16 don't think there's a longline on a squid
17 trawl. That was the thing. A longline permit
18 for a squid trawl.

19 UNIDENTIFIED MALE: I think you had
20 comments earlier that you had squid trawls and
21 they were only allowed two fish and that's the
22 reason why they needed a trifecta permits and

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1 so [inaudible] discarding swordfish, we don't
2 need to [inaudible] --

3 UNIDENTIFIED MALE: We're saying
4 they're in a fishery. They're in a permitted
5 fishery. Why in the world are we going to
6 give those guys another permit to worry with?

7 Just up their take to something that's
8 reasonable. And if 15 now and they have a
9 problem with that, make it 30. I think we
10 should have that ability. We've got all this
11 quota out there. Let's use it.

12 UNIDENTIFIED MALE: Actually, they
13 don't have trouble with the number. The
14 number was a very generous increase from I
15 believe [inaudible] five to 15, and in the
16 [inaudible] those two to 25 if I'm not
17 mistaken, or close to that, two to 25.

18 UNIDENTIFIED MALE: It boils down
19 to you're having a [inaudible] that is
20 required by the regulations.

21 UNIDENTIFIED MALE: First, I'd like
22 to congratulate all the HMS management staff

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1 that we brainwashed you all because we almost
2 had consistent themes running across all the
3 charts here. So you're all to be commended.

4 Joking aside, we did match up very
5 similarly with what the other folks had. The
6 one issue that had clear consensus on here was
7 we need a centralized permit, and that not
8 only applied to the HMS permits, but even
9 transcended that if you had the pie in the
10 sky, it wouldn't just be HMS permits because
11 we do interact with the swordfish fishery or
12 I mean the squid fishery or the dolphin/wahoo
13 fishery whether it be a charter permit or
14 longline permit, and then how those
15 regulations match up.

16 So whether that centralized
17 location, the renewing cycle, the dates that
18 you actually need to attain those permits on,
19 or even where you're going to get that
20 information, you have new entrants into the
21 fishery that just need to know what permits do
22 I need, and that could be consolidated on a

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1 website as a potential vehicle.

2 Having one piece of paper, Joe
3 mentioned similar to the Northeast, you know
4 one paper and it lists everything that you're
5 qualified for. Therefore, when Coast Guard's
6 doing a boarding or instead of having to
7 manager ten pieces of paper that you're
8 getting throughout the entire year, you got
9 your one-stop shopping in hand.

10 I mentioned transcend species or
11 state, again, just trying to consolidate.
12 Keep it simple, stupid. One of the benefits
13 is the service that the Agency provides its
14 constituency would be able to be increased.
15 All of a sudden, I use the example if I
16 realized that Gail hadn't sent in her renewal
17 notice for shark and swordfish permits, but I
18 didn't see an accompanying permit, and that's
19 with the assumption that you would still
20 require all three, well, then the Agency
21 [inaudible] just so you know, I got these two,
22 I don't see the third instead of having that

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1 just linger and a year go by before that's
2 actually discovered.

3 We would be able to consolidate
4 correspondence. You know you could have one
5 letter going out on an annual basis in theory
6 that says, okay, here's the information you
7 need to know. Instead of getting ten
8 different pieces of paper and when you get the
9 eleventh, you're like, I'm not going to read
10 that one. And so that would also apply to
11 renewal notices, whether it's paper,
12 electronic renewals.

13 And then I get the last option or
14 benefit there was the service the
15 HMSpermits.gov website provides right now with
16 realtime turnaround in issuing those permits.

17 There isn't a substantial lag of when an
18 application is submitted to the constituent
19 actually receiving the permit in hand. So
20 that was the first issue.

21 The second issue, we didn't really
22 -- I think I saw a classification for it, but

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1 dealing with limited access and recovered
2 species, the fact that we need a proactive
3 plan in place so when we do cross that
4 threshold that over fishing is no longer
5 occurring, that we have, okay, steps A, B, and
6 C are going to kick into effect instead of
7 trying to develop them when you're already at
8 that recovery stage, which we're struggling
9 now to some degree with the swordfish. And
10 that ties into how our management comes into
11 play when we're in that rebuilding stage
12 versus being rebuilt.

13 We mentioned the chartering
14 agreement that Rich elaborated on. Perhaps
15 some sort of limited duration could be placed
16 on that in the short term here where we're
17 staring down the barrels at ICAP that's coming
18 November.

19 I think that we had also heard that
20 you need to balance the effort versus what
21 the quotas are available so we don't repeat
22 those errors of the past where we end up in an

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1 overcapitalized situation again in trying to
2 harvest, say, a given quota in a short,
3 compressed time period.

4 And to touch back on some of the
5 comments you had, Vince. We echoed that. It
6 must be economically attractive for folks to
7 use the permit. And whether that turns into a
8 use or lose pool that if you don't use your
9 permits for, you know, 12 to 18 months, that
10 they go back into circulation, that somebody
11 can have that economic opportunity. Then
12 maybe we provide that. But it needs to be
13 economically attractive, otherwise, it's just
14 pieces of paper being sold and it's not doing
15 either the U.S. any good in harvesting its
16 quotas or the overall industry.

17 And I think, also, to touch back on
18 how do you get back to a sustainable level of
19 effort to match the quota is you do very
20 incremental increases or ease of restrictions,
21 that you don't come at it all at once and then
22 realize, well, we just set ourselves back

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1 another ten years and here we are, we're right
2 back on the roller coaster ride. That some
3 level of easement into it can help mitigate
4 some of that.

5 So that's kind of what we had to
6 contribute unless I missed anything. That and
7 Joe's got more permits than I am old.

8 (Laughter.)

9 UNIDENTIFIED MALE SPEAKER: Brad,
10 thank you very much. We have one more group
11 to hear from.

12 UNIDENTIFIED MALE: -- seems this
13 is what has already been brought up. I think
14 the biggest issue was just dealing with the
15 latent effort. We had a couple of different
16 thoughts on that. As was mentioned in one of
17 the other groups, potentially sort of a
18 reserve category for people that hadn't had
19 landings history for some predetermined time
20 period. They go into a reserve category so
21 that the permit might still have future value
22 at some point down the line, but that these

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1 would be people that participants that we
2 wouldn't have to -- that people that are
3 actively involved wouldn't necessarily have to
4 compete with for a given period of time.

5 As was mentioned I believe in
6 Randy's group, trying to meld the permits a
7 little bit more towards sort of the target
8 species. In this case, if swordfish were the
9 target species, in this case this is the quota
10 that we -- the stock that is essentially
11 rebuilt and something that we're trying to
12 match the landings with with our available
13 quota with and then have endorsements for
14 additional species that one might catch based
15 on their area or based on what their history
16 has been.

17 Because the situation now where you
18 have the triumvirate that's where the three
19 permits that are worth exponentially more than
20 the sum of their parts, and the issue being
21 that if we really just want to catch
22 swordfish, how would we do that without having

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1 to, you know, within the existing structure
2 and this could be a means to get at that.

3 And then we had talked about the
4 decision that individuals could make in order
5 to make money doesn't always overlap with what
6 -- there's not always this assurance that
7 there is going to be this amount of swordfish
8 for perpetuity. And I think having this
9 reserve category would be sort of a kinder,
10 gentler way to get at some of the issue with
11 the latent effort versus just, hey, you're out
12 of this fishery, you don't have the landings
13 history, sorry you didn't qualify.

14 And then another suggestion or
15 means of addressing the latent effort would
16 potentially coming up with sort of an optimum
17 yield for number of permits. [Inaudible], you
18 know, the optimum yield for the stock with the
19 number of permits. And, again, in a realtime
20 basis, this would obviously be difficult
21 because people are, you know, cost a lot of
22 money and you're going to have payments that

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1 you need to make on a boat or whatever for
2 time certain and what if, you know, the
3 optimum yield says your boat isn't going to be
4 included any longer. But I think that's it.

5 We had a couple of more folks that
6 have stepped out, but is there anything else?

7 And I think we're in favor of the centralized
8 permit locale as well [inaudible].

9 UNIDENTIFIED MALE: I would say
10 that the only other thing that we did touch on
11 at length was the differences between talking
12 about swordfish and shark. Swordfish, you're
13 talking about something that was identified
14 originally at the same time as the shark as
15 being overfished and overfishing occurring
16 that led to the LAPs that got in place in July
17 '99.

18 With the shark fishery, it is still
19 having issues with multitude of species. It's
20 not a singular species like swordfish, and it
21 has these overfished in some spots, rebuilt in
22 others, and unknown in most. And data poor is

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1 the biggest problem with the shark fishery.
2 So we felt that there should be some minimum
3 threshold that you should never go below with
4 both with history, particularly with the
5 sharks because it's too easy to ratchet them
6 right on off the landscape right now.

7 Whereas, the swordfish, you don't
8 want to go much lower. You want to try to get
9 them out there to catch the quota so you don't
10 keep losing it to foreign countries.

11 But back to the shark, we're
12 sharing those things with Canada, with Mexico,
13 Bahamas, Central America, and stuff like, the
14 high sea fleets, and yet none of those people
15 are on board. We've taken the burden and
16 we're in a situation right now where we're one
17 month of fishing in a year and a half, so
18 we're 50 boats that account for over half the
19 quota roughly speaking. And out of 500
20 permits, 200-and-something directed and 300 or
21 so that's incidental, the bulk of those people
22 aren't really participating.

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1 So we had a feeling that there
2 should be some kind of mechanism that
3 eliminated those extra efforts and then got us
4 back down to the visualization that in the
5 late '80s we had roughly 50 boats that
6 accomplished most of the catch of 10 million
7 pounds or more a year. Then when the price of
8 fins went up, we wound up having a surge of
9 participation, 200 boats and stuff like that.

10 We were 15 and 20 million, and [inaudible]
11 capture these numbers.

12 But the reality is that when '93
13 came along, we're shut down six months out of
14 the year. '94 came along, we're at a 4,000
15 pound trip limit, made it a small boat
16 fishery, and then we go from six million to
17 three million to two million and now we're
18 looking at one million pounds. It's real hard
19 to make a business go with that kind of
20 speculation. So since '93, most of these
21 boats have become multifaceted, other permits,
22 and in those fisheries, grouper, snapper, and

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1 other restrictions like the swordfish closures
2 off of Florida for 12 months out of the year
3 since 2001, all of this has contributed to a
4 situation that these guys are at the mercy of
5 data poor situations, what we considered
6 flawed science that somehow we didn't want to
7 see us totally eliminated.

8 So we want to take those people,
9 some of them's put their history forward in
10 the original LAP situation, some of it dates
11 back to the early '80s, and those people need
12 to be somehow left on the landscape as the
13 historical participants. But ultimately we
14 didn't want to be eliminated under the
15 circumstances, but we know that we can't keep
16 on having two to 500 people participating in
17 what is technically a 50 boat fishery. So
18 that's to sum up the shark thing.

19 UNIDENTIFIED MALE SPEAKER: Okay,
20 thank you. Thank everybody for [inaudible].

21 UNIDENTIFIED MALE: [Inaudible] any
22 comments on Brad's report and I want to make

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1 the comment that since he had a similar
2 concern when he talked about easing into the
3 redevelopment, make sure that the [inaudible]
4 was what likely [inaudible] in the future,
5 that is a very rational thought and
6 [inaudible]. I don't have to remind
7 [inaudible] right now. [Inaudible] 27 percent
8 of the quota. It's going to take a long time
9 for the regulatory changes to change to allow
10 some of the offshore fisheries to develop.

11 UNIDENTIFIED MALE SPEAKER: So I
12 know I'm between you and your break, but I
13 don't talk a lot, so it'll be quick.

14 But I did want to thank you all for
15 showing up here and helping us out on these
16 issues. I've been the regional administrator
17 in Alaska for a number of years and I'm
18 familiar with some of the fisheries problems
19 and some of them are relatively similar to
20 yours.

21 We have problems with latent effort
22 that we're dealing with. But I don't know

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1 that we have anything quite as thorny as the
2 shark and swordfish and tuna issues that
3 you've got that we're relying on your advice
4 for. And there aren't any easy answers to
5 this.

6 We, of course, are compelled,
7 mandated by the Magnuson Act to stop
8 overfishing and that drives a lot of what
9 we're doing. So we're anxious to get your
10 advice on that. And I know it's not easy for
11 anyone and we're trying to work with you as
12 much as we can on these issues.

13 There's a lot of Congressional
14 interest on sharks right now as well. There
15 was a hearing in the House Resources Committee
16 this morning, which I was able to catch part
17 of. They had movies of shark finning and
18 things like that which tend to excite the
19 public and so I think the interest will
20 continue and be maintained at the
21 Congressional level. So we're going to track
22 that and see where that goes.

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1 For your swordfish and your tuna
2 where the quotas are difficult to achieve for
3 different reasons, those are also you've got.

4 So we're interested in your insight on those.

5 We're working hard in the international
6 arenas. The Tuna Commission, looking forward
7 to the new bluefin tuna assessment to see what
8 we get out of that.

9 I met some of you at the ICAT
10 advisory panel a couple of weeks ago, so I
11 know you're doing double duty many of you on
12 these issues, and while you're doing that,
13 you're not catching a lot of fish. So the
14 bottom line is I appreciate the time you're
15 putting in. Look forward to continue to
16 working with you, work with Margo and Alan.
17 And if you've got something you want to say to
18 me directly, you know my phone number as well,
19 so, please, give me a call. But thanks very
20 much for showing up here and I'll talk to some
21 of you perhaps during the break here, but,
22 otherwise, I'm grateful for the time and

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1 effort you're putting in. Thanks.

2 (Whereupon, the foregoing matter
3 went on break and off the record at 3:15 p.m.
4 and back on the record at 3:30 p.m.)

5 UNIDENTIFIED MALE SPEAKER: Welcome
6 back. The sooner we reconvene, the sooner we
7 get out. Okay, folks, we need to get started.
8 Would you take your seats, please? Thank
9 you.

10 UNIDENTIFIED FEMALE SPEAKER: Folks
11 in the back, if you want to keep talking, you
12 can move outside so we can continue in here.

13 MR. McBRIDE: Yes. Joe McBride,
14 FRA, [inaudible] program, whatever I am for
15 the day.

16 Rich, maybe you can help me out
17 with this in the dialogue. At our discussion
18 group, we had doing the math from Vince and
19 from Dewey behind me earlier today, you have
20 approximately 300 boats that could be licensed
21 for the trifecta, for whatever lack of a
22 better term. And according I believe, Vince,

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1 you said offhand 60 boats are actually doing
2 the fishing. There's 40 in [inaudible] that
3 are sitting with a license somewhere that
4 they're talking about putting back in action.
5 That gives you 100 boats.

6 So there are 200 boats that are
7 capable of getting back into this fishery,
8 which would increase the swordfish landings
9 and they're not coming in. So as a lay
10 person, I'm sort of saying, why not? And the
11 why not from a fisherman's point of view is
12 because it's not economical to do so. And
13 when we're talking about -- now, anything is
14 experimental, anything that helps.

15 You guys in the business know
16 better than I, that chartering might be a
17 stopgap scenario and we suggested a sunset
18 clause, you know, whether it's a year, two
19 years, to see if it helps, to see if it
20 carries us over. But were can we get those
21 200 boats back in operation? And am I right
22 in the assumption that they're not in the

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1 fishery, are not going to come in the fishery
2 because it's not economically feasible?
3 Anybody know that? I mean I'm just throwing
4 that out there, somebody with more knowledge
5 than I do.

6 It seems that 200 boats sitting on
7 the sidelines that could fish for swordfish to
8 for whatever reason don't want to do it. I
9 think I'm right. But I'm calling you, Rich,
10 because second to me, you're omnipotent and I
11 know you --

12 (Laughter.)

13 (RICH): Actually, Joe, that was
14 about as well articulated a description of the
15 problem that I've heard. I can't do it any
16 better than that and I don't have the answer.

17 I don't have the big answer, but you hit it
18 on the head. If it's not profitable, it's not
19 going to happen. That's number one.

20 And there aren't 200 boats around
21 what we're talking about, I think Vince is
22 talking about, is maybe 200 sets of the

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1 permits that are available, or 250 sets of the
2 permits that are available.

3 UNIDENTIFIED MALE: [Inaudible] how
4 many actual [inaudible] were out there.
5 [Inaudible] fish.

6 (RICH): We call them 12-packs in
7 New England. But in any case, you know, we've
8 said for a long time that until -- I mean
9 there's a number of elements that enter into
10 it. If you're going to redevelop into a
11 fishery the balances having some coastal --
12 resuming some coastal presence, but having
13 also a major focus on a distant water fishery,
14 then we have to change the fishing patterns
15 that the U.S. fleet traditionally operated
16 under. We've been basically a wet boat fleet
17 and we're going to have to convert from a wet
18 boat fleet to a more than a wet boat fleet, a
19 combination freezer, freezer type, and that's
20 going to take a long time. Those kind of
21 things don't happen over night.

22 And the fishery is going to have to

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1 become profitable and I'm sure everybody has
2 to be talking about the \$4 a price fuel. I
3 mean it's just a killer and it's going to hurt
4 your charter boat fishery as well. Where are
5 we all going with -- how do you develop a
6 fishery at this point in time when you're up
7 against that and you're up against fleets that
8 are subsidized in their fuel prices.

9 But the first thing you do is you
10 need to get regulations that are in the way
11 out of the way to the extent that you can.
12 We're hoping on the GRT that would be one.
13 We're hoping for modification on the
14 boundaries as research proves that you can --
15 not elimination of closed areas, but
16 modification of the boundaries when you can
17 show that mandatory circle hooks and safety
18 and release practices can substitute for
19 closed areas and still have acceptable levels
20 of bycatch. So it's going to be a long
21 process.

22 MR. WHITAKER: Well, Joe's pretty

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1 much covered exactly what I was going to say.

2 I mean fishermen are pretty smart guys. They
3 have to be now to survive. But until these
4 guys that are longline and swordfish now start
5 coming back to the dock with some catches that
6 reflect the stock assessment, which is
7 supposedly great, then I don't care how many
8 permits you got out there, ain't nobody going
9 to do it.

10 But by the same token, I, as well
11 as everybody in this room, don't want to lose
12 any swordfish quota to anybody and I wish
13 there was some means we could keep it other
14 than giving it up. But I find it hard to
15 believe how other boats can come here and
16 profitably catch swordfish when we can't do it
17 ourselves. And maybe somebody can answer
18 that. I don't know if they're catching them
19 in the high seas and landing them -- planning
20 on catching them in the high seas and landing
21 them in the U.S, or catching them in our EEZ.
22 And maybe somebody can answer that for me.

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1 Thank you.

2 MS. BEIDEMAN: I'm Terri Beideman.

3 I don't have an answer for you, Rom.

4 But one of the other issues is if
5 you were contemplating getting into a fishery
6 that's going to be reducing quota by giving it
7 away, you're hard pressed to get people to
8 want to invest into a fishery brand new. You
9 know, the old people, some of those people are
10 scallopers. You can't really blame them for
11 going scalloping instead of going to the Grand
12 Banks for boo-koo dollars, seasonal.

13 But there's a variety of reasons,
14 but one of them has to be that if I were going
15 to be buying or building a boat to get into a
16 fishery, I'd want to be sure that two years,
17 three years down the road, I'm still going to
18 have a quota to catch. So, you know, it's all
19 kind of intermingled. So that's it.

20 UNIDENTIFIED FEMALE: On tomorrow's
21 agenda, we moved it from today, is the issue
22 of greenstick gear, which we're very

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1 interested in, because we see it as a way of
2 reducing pelagic longline bycatch of marlin.

3 In the tuna fishery, not in the
4 swordfish fishery, but as we're talking
5 permits, I hope that that discussion is not
6 completely excluded from permit
7 considerations. I mean it's certainly
8 something you're looking beyond. I mean if
9 we're going to expand permits and look at all
10 sorts of ways, even in the tuna fishery, we
11 need to be mindful of new ways also to reduce
12 the bycatch of important bycatch species.

13 UNIDENTIFIED MALE: And I just
14 wanted to add that anybody that was on the
15 U.S. delegation the last two years both in
16 Croatia and in Turkey heard Bill Hogarth, as
17 chairman of ICAT and as head of the U.S.
18 delegation, publicly state that his agency
19 went too far in killing this industry, and
20 those were public statements that he made.

21 And my view is the first obligation
22 is the people that you killed. You give them

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1 an opportunity to come back first. And then
2 there's those that survived. And those are
3 the ones that I'm hearing from, going to hear
4 from loudly on issues like chartering and
5 leasing who are going to say, what's in it for
6 me; I've suffered now since 1997; we haven't
7 caught our quota; I've done my share; what's
8 in it for me; I did everything you asked me to
9 do and now I don't have a profitable fishery;
10 I'm faced with extinction with \$4 gallon fuel
11 and \$3 imports; help me; I did what you asked
12 me to do.

13 MR. MONTELLA: Vince Montella. I
14 think market instability is the biggest
15 reason. I mean you have a fishery that's
16 thriving. You've got an excess of permits,
17 and it doesn't make sense why nobody wants to
18 do it. And I think it boils back down to
19 things we talked about last time here with
20 imports.

21 I think we really need to look at
22 what we're doing to our fishermen. I mean

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1 we're allowing fishermen to come here. And,
2 like I said, I know the in the MSA there's
3 provision there for other countries that
4 aren't complying the same as we are, that we
5 can stop imports into this country.

6 Fishermen need a stable market in
7 order to go fishing. You can't leave a dock,
8 and on a normal trip, a small boat, 50-foot
9 boat, \$20,000 to \$30,000 to go fishing. When
10 you come back in, your 8,000 pounds of fish
11 could be \$40,000 or it could be \$15,000.

12 It's risky. You can't get crew any
13 more. I mean how many trips are you going to
14 make in a row losing money. It only take a
15 few trips before you scratch your head and
16 say, yes, scalloping looks better, something
17 looks better.

18 But market instability, from a
19 fisherman's perspective, is the reason nobody
20 wants to -- there's no new recruitment into
21 this industry and we really need to look at
22 that. We need to look at protecting our

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1 domestic fishermen.

2 UNIDENTIFIED MALE: I want to echo
3 a little bit on what Vinny said there. It
4 doesn't take too much when you think about it
5 about the imports, about crews, about how much
6 it costs to go fishing nowadays, the amount of
7 gear. You would be total crazy, somebody go
8 rig up a longline boat to fishing in the U.S.
9 right now when you go look at the amount of
10 just everything [inaudible], just the whole
11 across the board to do that to load that boat
12 up.

13 You know, we're looking at here how
14 to go catch our quota and how to make it more
15 profitable for the U.S. fisherman and at the
16 same time save our quota. Well, one, how
17 about the imports? Why are we still importing
18 swordfish in from other countries into here?
19 If the incentive is that we got to put a spark
20 under our fishermen's -- a fire under their
21 butts to go fishing, or whatever, then you
22 need to give them incentive and maybe

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1 [inaudible] the import thing coming in here no
2 more.

3 I mean it's not there no more. We
4 beat everybody down so much, and the last one,
5 the few that around, you know, it's kind of
6 the last buffalo out there. A crowd always
7 likes to say, you know, about catching the
8 last swordfish, catching the last buffalo,
9 well, and I just don't see it. Maybe we
10 should just seriously look at other options at
11 chartering some high seas boats, or whatever
12 the scenario is, go catch some poundage.

13 I mean this is way too little.
14 It's too little way too late. It just hacks
15 me off that our Agency that's in charge of
16 this did not have the foresight to see this
17 coming down the pike since 1997. They should
18 be ashamed of themselves. And we're sitting
19 here worrying about this in the last hour.
20 We're going to lose quota. I don't know how
21 much. It depends on the scenario. But it's
22 just you're sitting around here dicking around

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1 with a few permits and everything, worrying
2 about trifectas and stuff, and it ain't going
3 to put no more poundage. Our Agency really
4 needs a re-evaluation of who's in charge and
5 do they want anybody around here eating U.S.
6 swordfish.

7 MR. CODDINGTON: Yes, Ron
8 Coddington. And real quick, you know I'm a
9 recreational representative. One thing that
10 amazes me is how you commercial fishermen even
11 do a business plan. I've watched fuel
12 increases in my business go up 76 percent in
13 the last 12 months. And I look at the price
14 of swordfish and it appears to be the same
15 price that it was as long ago as I can look.
16 Ten years ago it was the same price.

17 One of the things I would suggest,
18 because it appears that the industry can't
19 grab this idea and maybe NHMS needs to help
20 them, we've talked about marketing. And I
21 realize market instability has a lot more to
22 do with just marketing. We've got problems

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1 with imports that we need to deal with.

2 But I recognize that the gentleman
3 sitting next to me has created a niche market
4 with his fresh day caught fish and this man
5 never has a problem getting his top dollar for
6 fish because the little bit of marketing he's
7 done. You have another group called Day
8 Boats, Inc. or Day Boats, LLC that's marketing
9 day caught fish.

10 And I'm not saying that the
11 longline industry needs to be marketing day
12 caught because that's not what you have. But
13 fresh caught U.S. fish, I know one thing that
14 as another businessman, if I go into market
15 and have a choice of buying U.S. caught
16 swordfish and Costa Rican caught swordfish,
17 I'm going to buy if it was caught by you guys
18 every time. But I don't know there's very few
19 restaurants that even tell -- restaurants that
20 tell me where it is or grocery stores or fish
21 houses that tell me where that swordfish came
22 from.

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1 It looks like we need NHMS help
2 similar to what I saw happen in the wild
3 shrimp caught marketing that's happened, and I
4 don't know if industry was involved. But
5 we've talked about this at several AP meetings
6 and, apparently, there isn't a part of your
7 industry that can grab that ball easily right
8 now and run with it. Maybe NHMS needs to do
9 it and help these guys. Because if we
10 marketed these fish properly, I guarantee
11 people would buy U.S. swordfish before they'd
12 buy foreign-caught swordfish.

13 So that's one of my suggestions,
14 that somebody needs to help bring this
15 together, the marketing issue together, and
16 let's market these fish the right way.

17 (MARGO): Yes, actually,
18 Partnerships in Communications, John Ward, has
19 met a couple of times with industry on what
20 the government can do to facilitate marketing.
21 We can't do it all. There's definitely an
22 industry lead there, but there are certain

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1 things that the government can help with and I
2 think they're working on that. So it's
3 underway.

4 UNIDENTIFIED FEMALE: Margo, could
5 you explain? I haven't been privy to any of
6 the earlier discussions. But we've heard
7 several groups raise the chartering issue so
8 that we could get some tons, you know, landed
9 and credited to the U.S. so we don't lose our
10 quota. What is the problem? Can we move
11 forward with that, or are there problems and
12 what are they?

13 (MARGO): Well, the status is that
14 there are a number of statutes that affect
15 whether foreign vessels can come into the U.S.
16 EEZ, Magnuson being primary, and we have not
17 established any TALFF, which is the total
18 allowable level of foreign fishing. So
19 foreign vessels cannot come into the U.S. EEZ.

20 There's also Nicholson Act and
21 Mitchell Act that require U.S. boats to built,
22 vessels to built in the U.S., and also

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1 prevents foreign vessels from offloading in
2 the U.S. The chartering recommendation is an
3 ICAT recommendation that would allow for boats
4 flagged to one country to fish under another
5 country's quota. It's not specific. It's not
6 a limitation. It's kind of an open-ended,
7 anybody can do it.

8 But when we went through
9 rulemaking, we have in our own regs, in the
10 635 regs, one clause that says under no such
11 circumstances shall any chartering arrangement
12 be counted against U.S. quota. And that is
13 something that we implemented. And I think at
14 the time we didn't envision a scenario given
15 the suite of other statutes that, perhaps, a
16 Canadian vessel fishing on the high seas,
17 offloading in a Canadian port, might be able
18 to meet the terms of the ICAT recommendation.

19 Because you have to be able to supervise the
20 offload and all of that. But that's one
21 possibility I think. It didn't occur to us
22 and so given the suites of statutes out there

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1 included that statement. But that is on our
2 own 635 reg. So I think it is something that
3 we consider. It's something that I've tried
4 to bring up, both at the ISC meeting a couple
5 of times and the APL, where there are other
6 issues with that.

7 Does the United States care whether
8 Canada fishes our quota or not? I haven't
9 gotten a lot of response. I have gotten a
10 repeated industry request.

11 UNIDENTIFIED FEMALE: And you
12 focused on whether foreign vessels could come
13 into U.S. waters under those --

14 UNIDENTIFIED MALE: No, no.

15 UNIDENTIFIED FEMALE: I know. But
16 I mean her response on legislation was that
17 I'm saying on high seas it is that one last
18 clause which you referenced, is that the one
19 holdup for high seas?

20 (MARGO): Our 635 regs are what are
21 in the way at this point.

22 UNIDENTIFIED FEMALE: I'm looking

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1 here at what I want to talk about. Back to
2 what Ron was talking about.

3 With regards to marketing, in
4 Florida, what we do is a portion of our
5 commercial licensing fees, the money that is
6 paid for commercial licensing, a portion of
7 that goes to our Department of Agriculture and
8 Consumer Services, and that is earmarked
9 specifically for marketing. So while NHMS may
10 not necessarily be the right agency to help
11 with this issue, there may be another agency
12 in a similar as it is in Florida to be able to
13 assist us with seafood marketing and that kind
14 of thing. And it may be that a portion of
15 permits, you know, monies that are charged for
16 permits specific to certain fisheries or maybe
17 even in general can be applied for doing
18 marketing.

19 MS. STEPHAN: Thank you, Paul. I'm
20 Dianne Stephan. I'm with the HMS division up
21 in Gloucester and I'd also like to introduce
22 my colleage, LeAnn Southward Hogan, who's been

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1 participating in the development of this
2 proposed rule. So I'll be reviewing the
3 contents of the proposed rule to modify
4 permitting and reporting requirements of the
5 HMS International Trade Permit Program, which
6 published on Friday, April 4th, 2008.

7 The purpose of the rulemaking is to
8 adjust the international trade program, and
9 I'll be abbreviating that as ITP, based on
10 lessons learned since it was first implemented
11 in 2005; to implement ICAT recommendation
12 07-10, which is Atlantic bluefin tuna catch
13 documentation program; and to increase
14 understanding and improve enforcement and
15 administration associated with the shark fin
16 trade. These regulatory adjustment are all
17 proposed under the authority of the Magnuson-
18 Stevens Fishery Conservation and Management
19 Act and the Atlantic Tuna Convention Act.

20 A bit of background. The HMS
21 international trade permit was implement in
22 2005 for businesses that imported, exported or

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1 re-exported the following HMS species: bluefin
2 tuna, including Atlantic/Pacific and southern
3 bluefin tuna; swordfish; and frozen bigeye
4 tuna. International trade tracking programs,
5 which are also called statistical document or
6 consignment document programs, are in effect
7 for each of these species.

8 For ICAT, a bluefin tuna, swordfish
9 and frozen bigeye tuna program is in effect.
10 Under the IntraAmerican Tropical Tuna
11 Commission, there is a frozen bigeye tuna
12 program. The Indian Ocean Tuna Commission
13 also has a frozen bigeye tuna program. And
14 then the Commission for the Conservation of
15 Seven Bluefin Tuna has a southern bluefin
16 program. The U.S. is a member of ICAT and
17 IATTC and implements the CCFDT program and the
18 IOTC program to assist implementation of
19 ICAT's bluefin tuna program.

20 The trade tracking programs that
21 are in effect for each of these species occur
22 at least statistical document programs. The

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1 programs require that a statistical document
2 travel with every export and serve as a type
3 of passport for the consignment.

4 The statistical document includes
5 information about the consignment, including
6 the contents, vessel's catch, and exporter
7 information. Countries that are participating
8 in the program collect and tally the import
9 data for review by the relevant international
10 organization and exporting countries.

11 A catch document program is
12 proposed for bluefin tuna. It has been
13 adopted by ICAT and is proposed in this
14 rulemaking. The catch document programs
15 expand on the function of statistical document
16 programs.

17 The purposes of statistical
18 document programs are to understand
19 international market and its impact on
20 fisheries and fish stocks, to monitor trade,
21 to better understand trade, and prevent
22 introduction of illegally caught product into

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1 the international market, and to serve as a
2 proxy for catch in certain situations such as
3 when nations have insufficient financial means
4 to track their own catch. A catch document
5 includes these trade tracking functions and
6 then adds onto the specific purpose of
7 monitoring catch.

8 I'm going to talk about the BCD
9 program, which is the bluefin catch document
10 program, which is adopted by ICAT a little bit
11 later in the presentation when I get into the
12 alternatives.

13 So the proposed rule is divided up
14 to make it easier to follow and understand
15 into three different areas: permitting,
16 reporting, and regulatory structure and
17 clarification. There's three issues under
18 each topic for a total of nine issues. Since
19 this rule is not expected to result in any
20 impacts to the environment, the analysis was
21 limited to an economic analysis of the
22 alternatives in each of these topic areas.

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1 If you're interested in further
2 information on that, I'd be happy to provide
3 you with a copy of the RAR and the IRFA.

4 First, under permitting, the
5 proposed rule would clarify that when a
6 foreign importer is bringing product into the
7 United States, its resident agent or corporate
8 surety provider, often known as the bond
9 holder, is responsible for obtaining the ITP
10 and complying with the associated reporting
11 requirements.

12 The status quo, no action
13 alternative would not specify who is
14 responsible for obtaining the permit in this
15 type of a situation and it has resulted in
16 confusion when foreign entities apply for
17 permits in the past.

18 The second issue under permitting
19 in the proposed rule would require that
20 applicants for ITPs, which are currently
21 issued out of the southeast region, submit
22 their application at least 30 days prior to

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1 when they would like to have it effective.
2 And the proposed rule would also remove the
3 requirement that the permit be issued within
4 30 days.

5 This is consistent with other
6 southeast region permit regulations. They
7 attempt to make sure to use every effort to
8 issue the permit within 30 days. The status
9 quo, no action alternative would maintain the
10 current regulations and would continue to
11 require that permits are issued within 30
12 days.

13 The last issue under permitting
14 deals with permitting of shark fin traders. A
15 little bit of background. The shark fin
16 exporter market drives the U.S. Atlantic and
17 Gulf of Mexico shark fisheries and overfishing
18 of several species and many of prohibited
19 species can be attributed to the high product
20 value of shark fins. There is also a U.S.
21 market for shark fin products, which are both
22 imported and re-exported.

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1 The proposed rule would require
2 that shark fin traders obtain the HMS ITP,
3 permitting that these individuals would assist
4 us in a number of ways. It would help NHMS to
5 better under the commerce of the commodity, to
6 provide information about sharks and traders,
7 and also to provide access to existing records
8 for enforcement purposes. There would not be
9 any reporting requirements associated with
10 this, and the current cost of the permit is
11 \$25 and we anticipate that that cost would
12 continue.

13 NHMS has estimated the number of
14 shark fin traders nationwide at about 100. We
15 know of approximately 40 importers. The
16 status quo, no action alternative would not
17 require shark traders to obtain an ITP.

18 Under the issue of reporting, the
19 proposed rule would adjust reporting
20 requirements for ITP holders and Atlantic
21 bluefin tuna dealer permit holders to require
22 reporting via received by date rather than a

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1 postmarked date.. For example, biweekly
2 reports would be required to be received
3 within 10 days after the reporting period ends
4 rather than postmarked by 10 days after the
5 reporting period ends.

6 This has also been proposed for
7 some other HMS associated fisheries in
8 amendment two to the consolidated HMS FMP and
9 would clarify regulations when reports are
10 submitted other than by mail, for example, if
11 they're submitted electronically or delivered
12 in person. The status quo, no action
13 alternative would maintain the requirement
14 that reports are postmarked by 10 days after
15 the reporting period ends.

16 The proposed rule would replace the
17 ICAT bluefin tuna statistical document program
18 with the ICAT bluefin tuna catch document
19 program, which was adopted as recommendation
20 07-10 at the November 2007 ICAT meeting in
21 Turkey. Earlier we talked about the purposes
22 of a catch documentation program. This

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1 program could specifically be considered to be
2 implement to better track the catch of the
3 eastern bluefin tuna in the Mediterranean and
4 to monitor Mediterranean bluefin tuna farming
5 operations.

6 The United States already has a
7 sophisticated catch monitoring program in
8 place, which includes dealer reporting and
9 tagging of each bluefin tuna purchased from a
10 vessel. Because of this program, the U.S. is
11 exempt from some of the provisions of the BCD
12 program. However, there will still be several
13 modifications to the trade tracking portion of
14 the bluefin tuna program.

15 For imports, the new BCD form will
16 replace the current statistical document form.

17 The form fields, which the importer is
18 responsible for filling out, are the same as
19 those on the statistical document form. It
20 will just be a matter of basically getting
21 used to a new form.

22 All of the re-exports from the U.S.

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1 will now require a re-export certificate.
2 Previously, re-exports which were not modified
3 from the imported consignment, could be
4 re-exported without a re-export certificate by
5 simply filling out the intermediate importer
6 certification section of the form. These
7 fields have all been removed in the new catch
8 document and a re-export certificate will now
9 be required for all re-exports.

10 And then thirdly under imports, the
11 re-exports of untagged bluefin tuna, for
12 example, catch originating from any nation
13 except Canada or the United States, will be
14 required to be reported to the importing
15 nation and the ICAT secretariat. The
16 re-exporter will have to send the catch
17 documents and any attachments to these
18 entities at addresses that will be provided by
19 NHMS.

20 For exports, a new bluefin tuna
21 catch document will replace the current
22 statistical document program. The catch for

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1 each vessel will now be required to be listed
2 on a separate BCD. Whereas, in the past, we
3 were able to combine catches from several
4 vessels on a statistical document. And we're
5 still determining whether NHMS will provide
6 hard copies of the catch document as it
7 currently does for the statistical document
8 program, or whether we'll be providing the
9 form electronically, and we'd particularly
10 like your input on this issue.

11 Moving onto the last issue on
12 reporting, which involves the clarification of
13 the regulations that would allow bluefin tuna
14 exporters who concurrently hold an HMS ITP --
15 excuse me. It involves the clarification of
16 the regulations that would allow bluefin tuna
17 exporters to collaborate with HMS ITP holders
18 -- sorry, I'm just getting wrapped around the
19 axle on this one paragraph. Okay, I got it.
20 It involves the clarification of regs that
21 allow bluefin tuna exporters who hold an ITP
22 to collaborate with the Atlantic tuna's dealer

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1 permit holder who purchases the bluefin from
2 a vessel to collectively submit only one
3 biweekly report. I was having trouble just
4 saying that, so let me see if I can explain it
5 a little bit more.

6 With an example, in the instance
7 when an individual holds both an Atlantic
8 tuna's dealer permit and an international
9 trade permit, the dealer would now only be
10 required to submit one biweekly.

11 In the instance when an Atlantic
12 tuna's dealer permit transfers a bluefin to an
13 international trader permit holder, the
14 Atlantic tuna's dealer permit holder would be
15 required to submit a biweekly report and the
16 international trade permit holder would be
17 exempt from the biweekly reporting except that
18 they would have to maintain a copy of that
19 report that was submitted by the Atlantic
20 tuna's dealer permit holder.

21 I hope that was clear this time.

22 The status quo, no action

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1 alternative would require that both of these
2 permit holders submit separate biweekly
3 reports even in the case when both permits are
4 held by one person.

5 The first issue under regulatory
6 structure and clarification includes adoption
7 of the definition of import that was included
8 in the Magnuson-Stevens Fishery Management and
9 Conservation Reauthorization Act of 2006. The
10 proposed rule would adopt the statutory
11 definition of import and include a slight
12 modification so it does not result in any
13 changes to the way the program is currently
14 implemented under the ITP.

15 The second issue under regulatory
16 structure and clarification would update the
17 harmonized tariff schedule codes of swordfish,
18 which we recently changed. NHMS looked at
19 several alternatives to avoid future
20 rulemakings and any cases when HTS codes were
21 changed and determined that for the time being
22 the clearest way to address this issue is to

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1 continue to include the HTS codes in the
2 regulations and update them when necessary
3 with the rulemaking.

4 And then the final issue in the
5 proposed rule would clarify reporting
6 responsibilities. The proposed rule would
7 clarify that individuals who are required to,
8 but fail to obtain an international trade
9 permit are still responsible for fulfilling
10 reporting requirements. No status quo, no
11 action alternative would not provide that
12 clarification.

13 The public comment period for this
14 proposed rule ends on May 5th. We have five
15 public hearings schedule beginning April 23rd
16 in Santa Rosa, California; the 24th in Long
17 Beach, California; the 25th in Gloucester,
18 Massachusetts; the 28th in Miami; and the 29th
19 in Panama City, Florida.

20 The preferred method for submitting
21 your comments is through the federal e-role
22 making portal, which the web address is listed

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1 here and the document ID is listed below that.

2 And that site has a good search engine, so
3 you shouldn't have any trouble finding it if
4 you don't remember the document ID number.

5 And then also just as a look ahead
6 to some issues that might be affecting us,
7 those of us who are involved in international
8 trade programs for HMS. NHMS is currently
9 implementing the international trade data
10 system, which includes collecting import data
11 through a centralized electronic portal.

12 Use of this system was required by
13 the Safe Ports Act of 2006 and NHMS has a
14 deadline of implementing the one port hole
15 system for collecting import data towards the
16 end of 2009. So we're working hard on
17 developing the kind of data structure and
18 determining what kind of deals would be
19 involved in implementation of the ITDS.

20 We expect that an advanced notice
21 of proposed rulemaking will be coming out
22 sometime before the end of May, and then there

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1 will be a rulemaking associated with
2 incorporation of the ITDS. So it looks like
3 actually a really good opportunity for us to
4 collaborate further with the other agencies
5 that are involved in collecting import data
6 and for us to be able to move forward in
7 getting all this information electronically
8 and accessible online. So, although it's a
9 big system, it looks like it'll have a lot of
10 positive opportunities.

11 So with that, any questions?

12 UNIDENTIFIED FEMALE: More of a
13 question. This reporting, electronic
14 reporting for ports of entry, is this for over
15 the road stuff or is this strictly ports,
16 marine ports of entry? I'm a little confused,
17 so I'll have to talk to you about this.

18 MS. STEPHAN: Are you talking about
19 the catch documentation, or the international
20 trade data system?

21 UNIDENTIFIED FEMALE: Well, they
22 seem to kind of go together. So I'm not sure

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1 how they mesh and I'm not -- you know, it has
2 practical applications for me, so I'm not sure
3 what this all means.

4 MS. STEPHAN: Okay. Well, if you
5 come back to some more specific questions,
6 other folks might want to hear the answer,
7 too.

8 MR. HUDSON: Rusty Hudson, Directed
9 Shark Fisheries. I've got just a couple of
10 questions.

11 This starts with why no reporting
12 for shark fin traders, just permitting? And
13 is the compelling \$25 for buying the permit,
14 is that importers and exporters?

15 You mentioned that you were going
16 to get them to give up what's considered
17 confidential business records, a picture of
18 the past. How far back into the past? How
19 species specific?

20 And, you know, let's just sort of
21 start with that. That's kind of where my
22 mind's at on this.

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1 MS. STEPHAN: The permit would be
2 in the proposed rule. The proposed rule
3 proposes that the permit would be required for
4 importers and exporters. There is no
5 reporting because we're looking at this as a
6 first step and we had to balance limited staff
7 resources with what we were trying to get out
8 of it, and so this is our first step is to put
9 permit in place.

10 And as far as going back to
11 historical information, I noticed that in the
12 slide. It's not the intent to try to dig out
13 historical information. I think that probably
14 needs to be reworded. It would just be
15 current records.

16 UNIDENTIFIED MALE: So when you say
17 current, [tape went silent].

18 I'm sorry. The Atlantic and the
19 Gulf of Mexico sharks, you know there's only
20 about maybe a dozen people that are first line
21 or second line receivers of that product. In
22 the permitting network, and that's what they

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1 call it, a network, it goes from the boat to a
2 fish house, from a fish house to a fin dealer,
3 fin dealer to the fin company whether it's in
4 a location like Miami or California or even
5 Hong Kong, and it just perplexes me. How long
6 do you figure it's going to take before you
7 actually require reporting?

8 MS. STEPHAN: We currently don't
9 have any plans to require reporting.

10 MS. BEIDEMAN: Terri Beideman.
11 Thanks, Dianne, for the [inaudible]. My eyes
12 are glazing over with all the acronyms, brand
13 new ones, stuff I don't know. What is HTS?

14 MS. STEPHAN: HTS stands for
15 harmonized tariff schedule and it's the
16 numbers that refer to -- by which products are
17 categorized when they're imported so that
18 customs folks know how to assign the tariff
19 that's due. So it's just these big long
20 numbers that means swordfish or tuna, or they
21 sometimes even break it down into frozen
22 filets of a particular species.

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1 (RICH): Dianne, I can't see you,
2 but it's Rich back here.

3 I notice you're going to have a
4 Pacific public hearing. But when I was
5 looking under the species, you don't have
6 Mexican bluefin tuna or Japanese, which is
7 Northern Pacific bluefin tuna, right? There's
8 a reason for that?

9 MS. STEPHAN: I'm not sure which
10 slide you're looking at.

11 (RICH): I'm looking at background,
12 the first one.

13 MS. STEPHAN: They are included in
14 the current bluefin tuna statistical document
15 program and we would continue to be including
16 them under the catch document program, and
17 that's the reason we're having the West Coast
18 hearings.

19 (RICH): Okay. And did I hear you
20 say jumping to the ICAT bluefin tuna catch
21 document that all re-exports from U.S. will
22 require a re-export certificate? But then did

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1 I hear you mention an exemption for Canadian
2 Fish? Or did I miss that?

3 MS. STEPHAN: It's confusing. All
4 re-exports in the U.S. will require a
5 re-export certificate. What I said that had
6 to do with Canadian/U.S. fish is that
7 re-exports of untagged fish, and that would be
8 -- U.S. and Canada are the only countries with
9 tagging programs in place. So re-exports of
10 untagged fish would require that the
11 re-exporter send the catch document ahead of
12 the re-export to the ICAT secretariat and the
13 confident authority of the importing nation.

14 (RICH): So it's not really an
15 exemption. I'm a little confused by how that
16 actually is going to work out.

17 So all the other countries that
18 import bluefin to the United States untagged,
19 the burden then falls upon U.S. dealers to
20 report that catch and export to the ICAT
21 secretariat and to NHMS?

22 MS. STEPHAN: What was the first

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1 thing you said, Rich?

2 (RICH): Okay. I'm still under
3 that same proposed rule, ICAT bluefin tuna
4 catch document, and on the third bullet under
5 imports it says, re-exports of untagged
6 bluefin must be reported to the importing
7 nation and ICAT secretariat. And it's only
8 the Canadian and the U.S. that have an
9 immediate, you have to put a tag in the tail
10 of the tuna as soon as you catch it, so every
11 place else in the Pacific and the Atlantic is
12 not doing it.

13 If the fish comes into the United
14 States, the burden falls upon the U.S.
15 exporter to report to the importing nation, to
16 where you're sending it to, and to the ICAT
17 secretariat.

18 MS. STEPHAN: That's right, Rich.

19 (RICH): They're going to be real
20 happy with that. I don't think they're going
21 to be real happy with that.

22 And if I could procedurally, this

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1 came out in the Federal Register and I just
2 missed it. When was that, a month ago or
3 something?

4 MS. STEPHAN: No, April 4th.

5 (RICH): April 4th, today? And the
6 comment period ends May 5th? Was this mailed
7 to U.S. dealer permit holders?

8 MS. STEPHAN: Yes, it was.

9 (RICH): Good move. Okay. I'd
10 have a few more public hearings than you're
11 planning on right now and I'd extend the
12 comment period. My suggestion.

13 MS. STEPHAN: We're required to
14 have ICAT recommendations implement and
15 effective by July.

16 (RICH): By July.

17 MS. STEPHAN: That's part of the
18 timing.

19 (RICH): It just seems a little
20 unreasonable to ask -- to force upon the U.S.
21 dealers who already have to deal with the
22 statistical document, or now the catch

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1 document, for all U.S. caught fish and
2 properly tagged fish to then for those nations
3 that aren't bothering to tag and track their
4 catches, the burden falls upon U.S. dealers.
5 If I was a dealer, I'd say what's up with
6 that.

7 MS. STEPHAN: Just one additional
8 note to that specific point, Rich, is that
9 they will be able to report that information
10 electronically, so it's going to end up
11 hopefully being fairly easy and just
12 forwarding of a PDF form.

13 (RICH): I'm glad you have to
14 explain it and not me.

15 UNIDENTIFIED FEMALE: This is a
16 comment of concern. Unfortunately, Sonja and
17 Dr. Hueter are no longer here, but certainly
18 many of us defer to them on shark
19 conservation. But some species being so
20 seriously overfished, and I assume there's
21 potential for mis-identification, doesn't it
22 seem more logical and cautionary for the

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1 Agency to put forth the effort to require
2 these traders to have permits? I mean start
3 off on the best foot rather than going to them
4 later and trying to figure out who's doing it.

5 I mean you have 40 importers you
6 said and 100 traders, but you said you would
7 not, if I understood correctly, be requiring
8 any permits on the traders, right?

9 MS. STEPHAN: No. We're using
10 trader as a term to cover import, exporter,
11 and re-exporter.

12 UNIDENTIFIED FEMALE SPEAKER:
13 Importer, exporter or re-exporter, so we're
14 just using trader meaning in a general sense.

15 UNIDENTIFIED FEMALE: Okay. I
16 thought it was, okay.

17 UNIDENTIFIED FEMALE SPEAKER:
18 Sorry. One note of clarification. On the
19 handouts, at the bottom of the last page, the
20 document ID number is different from what was
21 on the screen. So it reads 06488U88. That's
22 an easier way to find this document on

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1 regs.gov than what was on the screen. So just
2 FYI. It's on the handout. The handout is the
3 easier way to use it.

4 UNIDENTIFIED MALE SPEAKER: Hi.
5 We're going to move right into the next
6 presentation. I know you all are looking to
7 get up and get out of here. So we're going to
8 do this one rather quickly.

9 We're going to introduce you to
10 some of the issues that we have with the
11 Caribbean fisheries and some of the things
12 that Russell and I have found out and Margo
13 one some recent trips down to speak to
14 fishermen and the council and the territorial
15 government. So, jumping right in.

16 NHMS recognizes that there are real
17 differences between some segments of the
18 Caribbean fishery and the fisheries that occur
19 off the mainland U.S. and that these
20 differences can create an awkward fit between
21 the regulations and Caribbean fisheries.

22 Some of these main differences are

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1 small vessels. These vessels are generally
2 around 25 feet. Short trips, they're mostly
3 all day boats. Generally limited profit
4 margins, these folks don't make very much
5 money. And there's a high local consumption
6 of the catches.

7 This awkward fit can be seen in
8 examination of the existing permits held in
9 the U.S./Caribbean which totals zero. For
10 limited access vessel permits, we have zero
11 shark, zero sword, and zero tunas longline
12 permits in the Caribbean. That's by people
13 who are actually living in the Caribbean.

14 Our open access permits, you can
15 see we have approximately 150 charter head
16 boat and general category permits. So that
17 sort of the universe of people who are allowed
18 to fish for and sell tunas.

19 Puerto Rico, obviously the angling
20 permit looks very high over there, but it's
21 our understanding there's approximately 60,000
22 vessels in Puerto Rico. So angling category

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1 there's 773 in Puerto Rico.

2 UNIDENTIFIED MALE: [Inaudible.]

3 UNIDENTIFIED MALE SPEAKER: No,
4 there's 60,000 recreational vessels in Puerto
5 Rico.

6 For dealer permits, you can see we
7 have only nine. So if you're going to fish
8 tunas in the Caribbean or any HMS, you have
9 approximately nine dealers that you can sell
10 to. And it's my understanding that most of
11 these dealers are individuals who also have
12 permits who merely buy from themselves and
13 then to do the legal way and then sell onto
14 hotels or other restaurants.

15 You want to compare that to the
16 mainland, we have approximately 659 dealers
17 here on the East Coast and the Gulf.

18 This is the latest landings data
19 that we have. This is from the 2007 national
20 report. This sort of contrasts the Caribbean
21 landings with the total U.S. What I want you
22 to know is that the majority of these landings

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1 are pelagic longline landings from vessels
2 that are not based in the Caribbean. These
3 are mainland vessels who have listed on their
4 landings forms that the statistical area that
5 they were fishing in was the Caribbean.

6 If we look at the actual landings
7 that I would assume are likely from Caribbean
8 vessels, we'd look for handline or rod and
9 reel, and we have for yellow fin tuna
10 approximately eight metric tons; for skipjack
11 ten metric tons of handline and eight metric
12 tons on rod and reel; and for the albacore we
13 have approximately 0.4 metric tons. So not a
14 whole lot of it is likely from these small
15 vessels. And absolutely zero of the sword
16 reported.

17 So the known problems. Unpermitted
18 fishing vessels and dealers result in this
19 whole laundry list here. Increased risk of
20 regulatory violations. Limited data in
21 reporting, which is one of our main worries.
22 Underestimates of size and value of Caribbean

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1 landings. A disadvantage to the
2 U.S./Caribbean if domestic regional
3 allocations are made. Underestimates of U.S.
4 landings during international negotiations.
5 Limited availability to fulfill international
6 reporting obligations. And increased
7 uncertainty in stock assessments and
8 management decisions.

9 Additionally, unpermitted fishing
10 also places U.S. fishermen in jeopardy of
11 being participants in an IUU fishery. That
12 would trigger obligations for us to halt the
13 IUU fishing. The bottom line is that it hurts
14 everyone who lives and works there and many of
15 the people who live and work up here in the
16 mainland.

17 So to address the permitting,
18 reporting, and other issues, we intend to
19 develop a plan amendment for the Caribbean.
20 We will ID specific barriers, develop ways to
21 address unique issues, and examine ways to
22 modify existing management measures to better

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1 fit the needs of the U.S./Caribbean.

2 Looking forward. We're looking at
3 about 18 to 24 months to complete the process.

4 As I said earlier, Margo and Russ went down
5 and spoke with the Caribbean council in
6 December of 2007, and Russ and I just finished
7 a series of prescoping meetings in Puerto
8 Rico, St. Thomas, and St. Croix. We were down
9 there in March. Obviously, we're here, going
10 to discuss with the AP today.

11 After we leave here, we'll be
12 putting together an issues and options
13 document and heading out to conduct a formal
14 scoping process. We hope to do that in I
15 would think approximately September of '08.
16 And after that we'll publish a draft EIS and a
17 proposed rule. I think our target date time
18 for that would be summer of '09. Obviously,
19 we'll have public hearings along with the
20 proposed rule, and then look to publish a
21 final IES in winter of 2010.

22 Through the council and prescoping

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1 meetings, we've tried to identify appropriate
2 partners to help us resolve some of the
3 Caribbean issues. We've identified and met
4 with the Caribbean Fisheries Management
5 Council, the Puerto Rico DNR, the U.S. Virgin
6 Islands Department of Fish and Wildlife, and
7 several local fishing organizations.

8 I have four slides here that are
9 going to just sort of bulletize some of the
10 main points raised by the different groups of
11 people we sat with.

12 The first slide are issues raised
13 by the council and they had sort of three main
14 gripes: first being dealer permits; second
15 being use of FAD; and third, sales of HMS; and
16 four, some of the outreach they want us to
17 conduct.

18 First off is their concern over a
19 lack of dealer permits and they know that the
20 fishermen who are legally permitted don't have
21 anybody to sell to and they wanted to know if
22 the fishermen should hold individual dealer

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1 permits. So that's on their radar.

2 They also wanted us to know that
3 there's a series of FADs deployed in the USVI
4 and that the DFW plans to deploy more. That
5 wasn't something that we really knew a whole
6 lot about, at least I didn't, and the
7 Caribbean council seemed to be -- wanted us to
8 know about it.

9 Additionally, sales of HMS, there's
10 a lot of concern over sales of tunas by
11 fishermen not holding the territorial
12 commercial fishing permits in the USVI. There
13 they have very limited markets and, say, when
14 a charter head boat comes in and sells his
15 catch, he can flood the market and take away
16 the sales that the day commercial fishermen
17 would normally have had. So they wanted us to
18 look at changing our regs to not allow charter
19 head boat and general category guys to be able
20 to sell unless they had the territorial
21 commercial fishing permit, but I think they
22 can probably do that themselves with their own

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1 regulations and require that vessels selling
2 fish have to have that permit.

3 For outreach, they requested
4 Spanish translation, but said that we should
5 only do that for summary documents. That they
6 didn't think that we needed to translate an
7 800 page EIS into Spanish. So that's good for
8 us.

9 They also wanted us to work with
10 the NHMS Caribbean field station, fishing
11 magazines, and radio stations to announce
12 hearing dates and locations. They're
13 concerned that we'll have very little turnout
14 unless we really spend a lot of time doing
15 outreach, and, actually, they recommended that
16 we scare them into coming. I don't know if we
17 can do that, but I'll try.

18 Obviously, after we finished the
19 process, they requested that any new
20 regulatory brochures we create be translated
21 and distributed at tournaments, boat ramps,
22 cleaning stations, and tackle shops. We'll

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1 work with our news partners down there to do
2 that when that time comes.

3 So our prescoping meeting in Puerto
4 Rico, one of the first things they told us was
5 that the Puerto Rico fisheries data collection
6 is very limited and that large correction
7 factors are applied. I don't think they get
8 very good data down there. They're aware of
9 it. They're working to change that.

10 They also recommended that we draft
11 a memorandum of understanding with the
12 government to acknowledge the need for the HMS
13 data collection. Basically, to get any data
14 out of there, we're going to need the Puerto
15 Rican government's cooperation.

16 Obviously, they're concerned about
17 few permitted HMS dealers. Once again, they
18 asked the question should individual
19 commercial fishermen hold their own dealer
20 permits so they can buy from themselves and
21 then turn around and sell. As it is, fish are
22 being sold directly from the vessels or at

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1 roadside stands. They're not going through
2 HMS dealers. They're not making it into the
3 dealer reporting process.

4 They also recommended that NHMS
5 translate and distribute a summary of the DEIS
6 and not a full document.

7 In St. Thomas, there was interest
8 in a combined HMS harvest and dealer permit.
9 The fishermen there, the way they operate
10 right now is they get a harvest and sales
11 permit. They're allowed to sell and they'd
12 like to see an HMS permit that would allow
13 them to catch HMS sharks, tunas and sword and
14 sell them as well.

15 The St. Thomas DFW said that they
16 could modify their commercial catch report to
17 collect the HMS catch and that they would
18 then send summary reports to us. As it is
19 right now, the fishermen send catch reports to
20 the DFW and then they compile it. They have
21 very little information on HMS on their forms,
22 but they said they'd be willing to expand that

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1 and do that data collection for us. So we
2 wouldn't actually have to get it from the
3 fishermen, we could actually just get it from
4 the territorial government.

5 One thing that the fishermen wanted
6 us to know is that they're not fishing big
7 gears, that they're using handlines or the
8 dominant gear type. But that they also
9 possess fish traps and gill nets and several
10 other things on the same sort of trips and
11 that would be kind of funky with our regs as
12 we don't allow non-authorized gears on trips
13 where they're harvesting, say, tunas and have
14 fish traps on board. That would be bad.

15 They also acknowledge the dealer
16 permit problem and said that the fish are
17 being sold directly from the harvesters to
18 hotels and restaurants. They're not going
19 through dealers. They're going straight from
20 the boat into coolers and straight to hotels.

21 They also wanted us to know that
22 their vessels average about 25 feet. They're

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1 wood, outboard vessels, and they said that 37
2 foot was the maximum in their fleet right now.

3 They also said that FADs were
4 important to them and that they had eight
5 deployed and that they planned to do 24 in the
6 next year or two. I don't if that's changed
7 recently, but they really rely on the FADs.

8 In St. Croix, we got much of the
9 same comments. They were interest in the HMS
10 harvest/dealer permit. And DFW St. Croix
11 said that they'd be willing to participate in
12 HMS data collection and help us get landings
13 data. They basically have a FAD tuna fishery
14 there with very limited swordfish. One of the
15 handliners who was there said that he had
16 taken I think two swordfish in 15 years.

17 And they mostly fish handlines and
18 their style of float gear for yellow fin tuna.

19 That's their primary target of HMS, along
20 with dorado and other types. But that they
21 also possess traps and gill nets on their
22 boats.

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1 They said that their fleet is a
2 trailer fishery. They're not even keeping
3 their boats in the water. They're keeping
4 them on land and that they range from 24 to 26
5 feet.

6 They also acknowledged that the
7 dealer permit was a problem. They don't have
8 anyone to sell to except directly to the
9 users, the hotels and restaurants.

10 So the partners we've met with
11 include the Caribbean council, Puerto Rico,
12 the St. Thomas and St. Croix DFW, and several
13 fishing organizations. They raised several
14 potential options during our initial meetings.
15 They're listed up here.

16 One would be to create an
17 commercial HMS Caribbean small boat permit,
18 and that would be a combined
19 tuna/swordfish/shark permit limited to the
20 Caribbean residents and vessels that are less
21 than, say, a certain size. They also thought
22 that we might be able to combine such a permit

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1 with dealer permits, which would allow them to
2 harvest and sell.

3 They also recommended that we
4 partner with PR and the USVI to collect
5 landings data. And that we modify the
6 authorized gear to better reflect their
7 fishery. Obviously, they're using some type
8 of float gear that doesn't meet our handline
9 definition and they also wish to be able to
10 possess fish traps and gill nets and things on
11 board while they have tunas.

12 We should start to monitor the FAD
13 use as well. I think whatever data collection
14 that we get, we need to start determining if
15 those fish were harvested around or on FADs.

16 That's about it.

17 MS. PEEL: I just to share another
18 cautionary note. Ellen Peel, TBF
19 recreational. That we certainly know in the
20 Pacific, you know, with FAD fishing, there are
21 a lot more juvenile billfish that are taken.
22 The proliferation of FADs in the Caribbean is

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1 causing great concern. We're going to
2 Dominican Republic the end of this month, but
3 they're selling marlin over there that are
4 caught directly on the FADs. So I would be
5 concerned to try to determine whether marlin
6 are being caught in VI, Puerto Rico, and
7 whether those, too, are being sold. How do we
8 control this? Thank you.

9 UNIDENTIFIED MALE: Yes. I was
10 just wondering what the situation with
11 enforcement was in those regions, and who has
12 jurisdiction, and if there is any enforcement
13 in place, that would be the key issue in
14 decided what regulations you could put in
15 place or how they might be followed after they
16 were put in place.

17 UNIDENTIFIED MALE SPEAKER: We have
18 two special agents in Puerto Rico, but none
19 stationed in St. Thomas or St. Croix. The two
20 agents that are in Puerto Rico share the
21 responsibilities of St. Thomas and St. Croix.

22 MS. JOHNSON: Gail Johnson, fishing

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1 vessel Seneca. This would just be for the
2 Caribbean only and around Puerto Rico and the
3 U.S. Virgin Islands, is that right?

4 UNIDENTIFIED MALE SPEAKER: Yes.
5 We're not really doing it. We're just
6 discussing stuff. But if we were to move
7 forward and start analyzing things like this,
8 yes, it would be limited to the Caribbean and
9 only to residents in the Caribbean and small
10 vessels.

11 MS. JOHNSON: Okay. Then there are
12 some mainland boats that fish down around that
13 area. I don't have specific information about
14 fishing in that area, but I understand that
15 mainland boats can't fish within a certain
16 range of Puerto Rico. I don't know if that's
17 true about the U.S. Virgin Islands. But we
18 need to make sure that all of our I's are
19 dotted, T's are crossed, and all that because
20 it could impact the mainland boats, as well as
21 the seasonal fishery.

22 It's been a long time coming. You

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1 know a past member of the ICAT advisory
2 committee and I think of this panel has raised
3 often the fact that artisanal and some other
4 fishermen didn't get permits for whatever
5 reason. They're bad, but we end up with this
6 result. So we really do need some avenue of
7 incorporating all those bullets that you had
8 up in here.

9 We also need to make sure that the
10 mainland boats are accommodated in what's been
11 their customary practice for many years.

12 UNIDENTIFIED MALE SPEAKER: Yes.
13 It's not our intent to change the way the
14 mainland boats are operating down there. It's
15 mainly to get the smaller vessel operators
16 into the systems so that we can get the catch
17 data from down there.

18 MR. WHITAKER: Rom Whitaker,
19 Hatteras Charter Boat. My first observation
20 that I see where fish and wildlife is going to
21 put 24 FADs in St. Thomas and I'd sure like to
22 see some off the east coast of U.S.

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1 My second point is I'm glad to
2 Ellen's on top of the DR thing because there
3 certainly are some bad stories coming from
4 there.

5 MR. HUDSON: Rusty Hudson, Directed
6 Shark Fisheries. Earlier, Greg, you mentioned
7 60,000 recreational vessels in Puerto Rico.
8 U.S. Virgin Island, how many?

9 UNIDENTIFIED MALE SPEAKER:
10 [Inaudible.]

11 MR. HUDSON: Okay. Do those, any
12 of those, or some percentage of those double
13 as commercial artisanal fishermen?

14 UNIDENTIFIED MALE SPEAKER:
15 [Inaudible.]

16 MR. HUDSON: Okay. Right. Their
17 territorial waters, is that out to 12 miles
18 for both territories? And if so, do most of
19 these small boats fish within the territorial
20 waters or outside of it?

21 UNIDENTIFIED MALE SPEAKER: They're
22 fishing outside. They work the reefs pretty

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1 hard and they're moving further off. That's
2 why they're focusing on the FADs. That's why
3 they're placing the FADs. The shelf resources
4 are pretty hammered. So they're looking to
5 the yellow fin tuna.

6 I can't tell you the exact distance
7 of the territorial. I believe it's three.
8 Daniel?

9 (DANIEL): Three miles in the USVI
10 and nine nautical miles in Puerto Rico.

11 MR. HUDSON: One last question.
12 With regards to some of the stuff that Bob
13 McCullough, do you know -- the shark is a
14 fairly significant part of their food base
15 there for the artisanals, and is it your
16 intent to try to develop a separate quota that
17 they could fish on even though you're going to
18 try to have them somehow permitted? Because
19 you know, in essence, that's almost like a
20 whole different ecosystem down there and
21 everything.

22 UNIDENTIFIED MALE SPEAKER: I image

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1 we could look at some sort of a set aside.
2 We'd have to I'm sure spend a lot of time
3 looking at that, but that would keep them able
4 to land small amounts year round and not be
5 subject to the closures up here.

6 UNIDENTIFIED MALE: Greg, I think
7 this is a question I may already know the
8 answer to, but I just want to make sure you're
9 tying in with the marine recreational
10 information program and the characterization
11 of the Caribbean fishery that's going on in
12 that program. I think that's primary private
13 angler and private boat landings, but I'm sure
14 you're tying in with that.

15 (GREG): Yes. Russ is on the MRIP
16 and we're well aware of what's going on.

17 MR. AUGUSTINE: Yes. Pat
18 Augustine. Greg, I'm just wondering, for the
19 last prescoping Puerto Rico, a few permitted
20 HMS dealers, should commercial fishermen also
21 hold dealer permits? Is that primarily
22 because they're not reporting all their catch,

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1 or is it just there are not enough dealers
2 available to handle the products?

3 (GREG): My understanding is there
4 is few people who want to take on the paper
5 work burden of being a dealer.

6 MR. AUGUSTINE: Well, then, to
7 create a paper trail, maybe the recommendation
8 would be to go ahead and commercial -- when I
9 say commercialized, turn the commercial
10 fishermen into dealers also.

11 MR. FRANKS: Yes. Jim Franks,
12 GCRL. You mentioned, let's see you had eight
13 FADs deployed, 24 planned for St. Thomas. Any
14 idea how many FADs are currently deployed in
15 St. Croix and what the plans there are for
16 future deployment?

17 (GREG): The eight and 24 was for
18 St. Thomas and St. Croix combined. The
19 majority of them are off of St. Croix. I
20 believe on the north and west side. I have a
21 picture of them. There are a few off of St.
22 Thomas and those are mostly off the north

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1 shore.

2 MR. FRANKS: Okay. Because some of
3 those areas are documented billfish spawning
4 areas. And although Ellen had some concern
5 about the juveniles, of course, you know
6 spawning adults, that's a known problem in the
7 central and southern Caribbean as well and
8 they're having issues with that as to how to
9 resolve those issues, catching spawning marlin
10 around FADs. They're actually fishing for
11 tuna, so they're trying to work on that issue.

12 So I agree. That is something in
13 your discussion that the FAD issue needs to be
14 addressed because growing numbers of FADs can
15 create reasonably high numbers of bycatch and
16 marlin are not [inaudible]. Something that
17 needs really to be looked at. Thank you.

18 UNIDENTIFIED FEMALE: Just one last
19 comment. The growing number of FADs in the
20 Caribbean is certainly gaining notoriety.
21 When I was in Peru two weeks ago, some of the
22 Ecuadorean sport fishing boats that were there,

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1 planning on going to Dominican Republic also
2 at the ends of this month, and they're, hey, I
3 hear even not only the artisanals, the
4 commercial and the sport fishing boats are
5 fishing on FADs. So you're really aggregating
6 a lot of fish and probably whacking a lot of
7 them.

8 UNIDENTIFIED MALE: Yes, Greg, that
9 was a great presentation on the Caribbean
10 fisheries. I was just wondering if you know
11 if the enforcement agent in St. Thomas was
12 getting close to retirement age?

13 (Laughter.)

14 (GREG): No. They're actually
15 young bucks.

16 MR. GERENCER: Yes. Bill Gerencer,
17 the World. Listen, how confident are you of
18 the landing numbers that you have? I mean
19 based on the fact that so much of that fish
20 gets sold locally or taken in. On your
21 estimates like swordfish, where do you get
22 those numbers from and how confident are you

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1 about them?

2 (GREG): The numbers that I showed
3 you were from the national report. Those were
4 the landings that have been reported to us.
5 That stuff came from that landings cards and
6 trip ticket. And, no, I don't think that's
7 all or we wouldn't be here. Our intent is to
8 get that small component that likely adds up
9 to quite a bit over the year. What we do have
10 there is mostly all pelagic longline landings
11 from mainland boats. I don't think we're
12 getting very much of the small scale fishery
13 landings from down there.

14 UNIDENTIFIED MALE: [Inaudible.]

15 (MARGO): I guess we'll start
16 tomorrow at 8:30. And just to remind you, at
17 9:30 we'll have the presentation on
18 greensticks, charter head boats that was
19 scheduled for this morning. So if you could
20 be here at 8:30, we'll get a prompt start and
21 get you out on time around lunch time.

22 (Whereupon, the foregoing matter

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1 was adjourned at 5:15 p.m.)

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